

# DAILY REPORT

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China

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TASS 'RUMOR' ON ISRAELI CONSULATE IN HONG KONG

HK111016 Beijing RENMIN RIBAO in Chinese 11 Feb 85 p 6

[Report: "TASS Spreads a Rumor"]

[Text] TASS spread a rumor on 8 February saying that China had approved the establishment of an Israeli consulate in Hong Kong following the signing of the Sino-British joint declaration on the future of Hong Kong.

The Soviet agency also fabricated a story saying that "this decision is related to trade expansion and particularly to Israel's supply of arms to China via Hong Kong to equip the Chinese troops."

U.S.-SOVIET ARMS LIMITATION TALKS VIEWED

## Radio Commentary

OW101015 Beijing in Russian to the USSR 1800 GMT 5 Feb 85

[Commentary by station correspondent (Mei Da) on U.S.-Soviet nuclear arms talks]

[Text] On the eve of the new round of U.S.-Soviet talks on nuclear weapons, U.S. President Reagan announced that he is giving up the star wars program. [sentence as heard] At the same time, he told the appropriations commission of the U.S. House of Representatives on 30 January that he had instructed the U.S. representative at the arms control talks to leave the conference table and return home if no agreement is reached with the Soviet Union in Geneva.

(?Speaking about Reagan's statements), Soviet leader Chernenko, in his answers to questions by a U.S. CNN Television Company correspondent on Reagan's star wars program, said it is intended to disarm the Soviet Union and may ruin the prospects of the arms control talks. Chernenko warned that it is not possible now to limit and further reduce nuclear arms without taking effective measures to prevent the militarization of space.

On 1 February, in his report to Congress, Reagan claimed that the USSR had violated the arms control agreement in many respects. Chernenko, in his appeal published in the February issue of the illustrated SOVIET UNION magazine, noted that for [word indistinct] reasons [words indistinct] unrestrained arms race on land, in the air, and on the water and its proliferation in space.

Reagan and Chernenko's statements show once more that there are great differences between the two sides, and that the talks will be difficult. The words of the supreme leaders of the Soviet Union and the United States, uttered on the eve of the official talks, cannot fail to arouse concern and alarm among people.

After the U.S. and USSR foreign ministers on (?8) January reached agreement on the resumption of talks between the two sides, the deep differences around the new round of talks were immediately given publicity. The Soviet Union insists that the United States stop pursuing Reagan's star wars program, insists on holding talks on space weapons, and says that without achieving progress at the talks on the issue of intermediate nuclear missiles and strategic weapons, which means that it is necessary to achieve parallel progress on the three issues.

The United States announced that it will not give up the star wars program and said that in the course of the talks it is possible to achieve separate agreement on the three issues. This means that even if no agreement is reached on the issue of space weapons it would not prevent achieving [word indistinct] agreement on the other two issues.

The differences between the two sides have now been made public in statements of the supreme leaders of the two countries. This is no doubt a [word indistinct] indication for the talks, which will begin on 12 March.

The heads of state and government of Italy, Tanzania, Argentina, Mexico, Greece, and Sweden recently held a conference in New Delhi on the issue of nuclear disarmament, and decided that when the new round of talks on nuclear disarmament begins between the United States and the USSR in March this year, delegations [words indistinct] the two sides and inform them about the aims and aspirations of the 6-nation summit conference. The leaders of Poland, Greece, Sweden, Argentina, and Tanzania held a conference in Athens, at which it was noted that the quantity of nuclear weapons of the two superpowers exceeds the needs and (?requirements) of self-defense.

With their arms race, the superpowers directly (?affect) the economic development of small underdeveloped countries. These two forums are of great importance.

The international community is of course interested in the Soviet-U.S. talks which will be held soon in Geneva. [Words indistinct] like the United States and the USSR possess over 95 percent of the nuclear weapons in the world. [Words indistinct] these two superpowers deploy nuclear weapons on foreign territory or in the open sea [words indistinct] nuclear missiles [words indistinct] and it is they precisely who are capable and (?competent) to start a nuclear war. This is why people demand that the Soviet Union and the United States be the first to stop the production and deployment of nuclear weapons and destroy them gradually.

The present positions of Reagan and Chernenko, as announced on the eve of the Geneva talks, indicate that the coming talks will be prolonged and difficult. All peace-loving people hope that the United States and the USSR will manage to achieve substantial results in restraining the arms race for the sake of reducing tension in the world. This is why it is urgent for the peace forces in the various countries in the world at present to force the United States and the USSR to hold the talks in a businesslike and serious manner.

#### SHIJIE ZHISHI Article

OW100957 Beijing Domestic Service in Mandarin 1150 GMT 8 Feb 85

[Report on article from SHIJIE ZHISHI, No 3, published 1 February, by (Zhuang Qubing): "Dialogue in Confrontation"]

[Text] To begin with, the article says that a most noticeable major international event since the beginning of 1985 was the Geneva talks between the U.S. and Soviet foreign ministers in the first part of January. Why have arms limitation talks been resumed after a hiatus of over 1 year? Needless to say, it is because both sides have deemed them necessary.

In the United States, domestic concerns over the threat of a nuclear war and discontent over the damage to the U.S. economy caused by military spending are mounting continuously. Meanwhile, Western Europe and Japan have also eagerly wanted to see the talks resumed. All this has put pressure on the United States. But more importantly, the Reagan administration maintains that since U.S. military strength has grown considerably in recent years and its nuclear power in Europe has also been beefed up, if the United States could seize this opportune time to hold talks with the Soviet Union by coupling threats with promises, it would be more forceful and easier to achieve results that are desirable to the United States.



Meanwhile, the Soviet side has realized that insisting that the United States cancel the deployment of new medium-range ballistic missiles in Europe as a precondition for talks is unrealistic. Therefore, after weighing the advantages and disadvantages, the Kremlin has decided to change its strategy and launch a new peace offensive, hoping this will create a new situation in which to turn the Soviet position from defensive to offensive. Besides, the Soviet Union is groaning under the heavy burden of military spending and the Soviet economy is in trouble. These are also important factors that have compelled the Soviet Union to return to the negotiating table.

To sum up, despite the differences between the two superpowers in the subjective and objective conditions of each, both desire to hold a new round of arms limitation talks in which to reach agreements under conditions each side deems advantageous to itself.

The article points out, in the talks, the United States and the Soviet Union both have their own goals which are diametrically opposed. The key issue concerns space. While realizing that the United States is under the threat of the Soviet Union's land based and SS-20 medium-range missiles, Washington has continuously stressed that the talks should focus on large-scale reductions of strategic nuclear weapons and medium-range nuclear weapons. But the eyes of the Kremlin are fixed on the United States' strategic space program. At the same time, the Kremlin also wants to maintain its edge in land based, long-range and medium-range missiles. Both sides finally reached a compromise at the Geneva meeting that the two issues -- the U.S. antiballistic missile defense program and the Soviet antiballistic missile defense measures, including the large Soviet radar systems in Siberia -- should be resolved simultaneously in future meetings.

This fast developing and changing situation has pushed the United States and the Soviet Union to a new historical crossroads. In future efforts in the new round of arms limitation talks, the focus will be on three major areas, strategic weapons, medium-range weapons, and space weapons. The future talks will be very wide in scope and interrelated.

All indications show that the U.S.-Soviet talks will surely be long and drawn out, and that any real meaningful agreement will be very hard to reach.

In conclusion, the article says, the intense arms race has not only seriously endangered the security of all nations of the world but has also become an increasingly heavy burden to both the United States and the Soviet Union.

Reaching an effective arms limitation agreement is not only the call and desire of the people of the world but also is completely in line with the vital interests of the people of the two countries, the United States and the Soviet Union. The fast developing situation has pushed the two superpowers to a new historical crossroads. Which way to go? It is a question that we hope the leaders of the United States and the Soviet Union will answer by making a clear-headed choice.

#### PRAVDA CONDEMNS U.S. FOR ARMS CONTROL VIOLATIONS

OW090306 Beijing XINHUA in English 0251 GMT 9 Feb 85

["Soviet Newspaper Attacks U.S. for Flagrant Arms Control Violation" -- XINHUA headline]

[Text] Moscow, February 9 (XINHUA) -- The Soviet newspaper PRAVDA today vehemently condemned the United States for violating the Soviet-U.S. arms control and reduction treaties and poisoning the atmosphere for the forthcoming Geneva talks.

This is the sharpest accusation made by the Soviet media against the United States since the two countries reached an agreement on reopening a new round of talks on space weapons and nuclear arms in early January.

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In an article, the newspaper accused the United States of embarking on the road of systematically violating existing limitations on nuclear arms. The newspaper said that by so doing, Washington apparently wanted to poison the atmosphere for the Geneva talks and create more obstacles for businesslike and constructive talks.

The Soviet news agency TASS in a commentary on February 6 called on the United States to carry out its duty in the forthcoming talks to enable them to yield concrete results.

Meanwhile, the U.S. President delivered a report to the Congress not long ago, condemning the Soviet Union for breaking its commitment in arms control.

#### ZHAO ZIYANG MEETS METEOROLOGICAL OFFICIALS 8 FEB

OW081708 Beijing XINHUA in English 1617 GMT 8 Feb 85

[Text] Beijing, February 8 (XINHUA) -- Premier Zhao Ziyang said here today that China was satisfied with the cooperation between China and the World Meteorological Organization (WMO).

He was meeting WMO President Kintanar, First Vice-President Izrael and Third Vice-President Bruce and other officials from the February 6 to 7 WMO Presidium meeting in Shanghai.

Zhao assured the WMO officials of China's continued support for and participation in WMO activities. He said China was willing to learn advanced meteorological technology and management from other countries either through the WMO or bilaterally. He praised the WMO, a United Nations organization, for its great contributions to cooperation, information exchange and upgrading meteorological technology, especially in the developing countries.

The WMO president said that China as a big country had unique experience in meteorology and had done a lot for the people: "The WMO is looking forward to China's support and increased participation."

Zou Jingmeng, WMO second vice-president and director of the Chinese National Meteorological Bureau, was present.

#### HUANG HUA MEETS JUDO FEDERATION CHAIRMAN

OW081616 Beijing XINHUA in English 1437 GMT 8 Feb 85

[Text] Beijing, February 8 (XINHUA) -- Huang Hua, vice-chairman of the Standing Committee of the Chinese National People's Congress, met with Matsumae Shigeyoshi, chairman of the International Judo Federation (IJF), here this afternoon.

Present on the occasion were Li Menghua, minister of the Chinese Physical Culture and Sports Commission; Li Kaiting, chairman of the Chinese Judo Association; and Shigeo Yamato, cultural counsellor of the Japanese Embassy here.

The IJF chairman will leave here for home tomorrow.

RENMIN RIBAO ON REAGAN'S STATE OF UNION MESSAGE

HK080924 Beijing RENMIN RIBAO in Chinese 8 Feb 85 p 7

["Special Dispatch" from Washington by RENMIN RIBAO reporter Zhang Liang: "Reagan Delivers State of Union Message, Urging Congress To Support Modernization of National Defense"]

[Text] Washington, 6 Feb -- President Reagan tonight delivered his State of the Union message at a joint session of the House and the Senate. He talked about the "renewed strength" of the United States and called on the American people to bring about "a second American Revolution."

Reagan cited the sustained growth of the U.S. economy over the past 25 months, which has been the strongest economic growth in 34 years; the average 3.9 percent increase in the inflation rate over the past 3 years, which has been the lowest level in 17 years; and the increase of the number of employed people by 7.3 million, which is the highest employment total in history. Reagan stressed that "this is only a beginning." He urged the start of the new challenge, namely, the "second American Revolution."

In his speech, the so-called "second American Revolution" includes seven main targets: Simplifying the tax system, reducing federal deficits, promoting economic growth, developing permanent manned space stations, restoring traditional values, providing minorities with full economic rights, and removing the threat of nuclear war.

As far as the tax system is concerned, Reagan urged the approval of a "fair and simple" tax bill. However, reform of the tax system does not mean a covert tax increase. Reagan held that economic growth is the best method for reducing the deficit. He opposed the method of using tax increases to balance the budget.

With regard to military and foreign policy, Reagan stressed that the United States should on no account "slacken its efforts" to restore its military strength. He emphasized that the United States' determination to maintain a strong defense has influenced the Soviet Union to return to the negotiating table. In particular he urged Congress to support his program to modernize defense, and to approve the production of MX missiles so as to seek mutual and verifiable arms reduction. Reagan also said that his "strategic defense proposal" was a good method for removing the threat of nuclear war. He called on Congress to support his research program. While talking about policy toward Central America, he said that the United States would continue to support anti-government organizations in Nicaragua. He defended his policy of interference, saying that "this is self-defense."

A television commentator here said that Reagan's State of the Union message delivered tonight was "full of optimism" and described the rosy future of the United States. However, Reagan admitted that fulfilling the targets which he had defined would be an "arduous" task. Hence, the Americans should meet this "great and new challenge."

PRESIDENT REAGAN APPOINTS NEW UN AMBASSADOR

OW090652 Beijing XINHUA in English 0641 GMT 9 Feb 85

[Text] United Nations, February 8 (XINHUA) -- President Ronald Reagan today named Vernon Walters to succeed Jeane Kirkpatrick as U.S. ambassador to the United Nations. Walters, 58, a former three-star general in the Army and one-time deputy director of the Central Intelligence Agency, has served President Reagan as an ambassador at large since 1981.

The new ambassador, who speaks eight languages and has the experience of a veteran diplomat, will also be a member of the Reagan administration pending the U.S. Senate confirmation. Walters said at a State Department news conference today that it was a "great honor to receive this mark of confidence from the President." He pledged to do his best to "restore and enhance the position and the interests of the United States."

Mrs. Kirkpatrick, former U.S. envoy to the U.N., announced January 30 that she was quitting the U.N. and returning to teaching, lecturing and writing career.

#### U.S. TO SEEK ALLIES' AID IN 'STAR WARS' RESEARCH

OW090724 Beijing XINHUA in English 0711 GMT 9 Feb 85

[Text] London, February 8, (XINHUA) -- The U.S. Defense Secretary Caspar Weinberger hopes that scientists from Britain and other allies will join in research on "star wars" project.

At a press conference held at the U.S. Embassy shortly after his arrival, he said: "We have discussed it with a number of allies." Weinberger admitted that the programme, officially known as the strategic defence, was going to be very expensive. "We need all the help we can get," he said. The American defence secretary said that the development of a defensive system in space should not separate the U.S. from Europe. Weinberger stressed that if the "star wars" concept proved to be feasible, it would protect West Europe as well from intermediate range missiles like the SS-20s. When asked about the disarmament proposals emerging from the six-nation summit in New Delhi last week, Weinberger said: "They always say that."

Whitehall sources said later today that Weinberger's request for Britain to supply scientific experts to the U.S. "star wars" programme was being considered but no decision had yet been made. Britain Prime Minister Thatcher has made it clear that while she supports the U.S. "star wars" research programme, she feels that any decision to deploy the space-based defence system should be a matter for negotiation with the Soviet Union.

#### YANG SHANGKUN MEETS U.S. UNIVERSITY VISITORS

OW081234 Beijing XINHUA in English 1217 GMT 8 Feb 85

[Text] Beijing, February 8 (XINHUA) -- Yang Shangkun, Political Bureau member of the Chinese Communist Party Central Committee, met here this afternoon Gerald Walker, president of the Oklahoma City University of the United States. Also present at the meeting were Willis Wheat, executive chairman of the board of the university, and Michael T.C. Hwant, head of the university's Asia Institute. Yang hosted a dinner for the visitors after their meeting.

State Councillor Fang Yi met Walker and his party earlier this afternoon. The American visitors came here at the invitation of the Chinese Academy of Social Sciences.

#### FAMILY PLANNING COMMISSION REGRETS U.S. AID CUT

OW091222 Beijing XINHUA in English 1138 GMT 9 Feb 85

[Text] Beijing, February 9 (XINHUA) -- The State Family Planning Commission today expressed regret at the decision by the U.S. Agency for International Development (AID) to postpone a contribution to the U.N. Fund for Population Activities (UNFPA).

U.S. AID officials said earlier this week that a contribution of 23 million U.S. dollars would be held up because of what they called U.S. concern over China's population program, stating that they wanted to make sure that "U.N. funds are not supporting abortions in China."

A Family Planning Commission official today called the U.S. action "unreasonable". He said, the commission had taken note of the "distorted" reports in the American press about alleged forced abortions in China aimed to discredit the government's family planning program. He reaffirmed that "not a single U.S. dollar funded by UNFPA has been used for supporting abortion in China, as already stated by the Chinese delegation to the international conference on population" held in Mexico City last August. The official said "we consider this decision of AID as a divergence from the spirit that the international community should actively support world population activities, as elaborated in the 'Declaration of Mexico City on Population and Development', adopted through general consensus." He said U.S. delegates had expressed their approval of this declaration, and had pledged many times to continue to further their support for world population activities.

However, he held that "the present action taken by the U.S. authorities concerned goes against this promise." The Chinese Government always insisted that family planning must be based on voluntary lines. As for birth control measures, China adhered to the principle of putting emphasis on contraception and made available to the people a wide range of methods for them to choose. The official said that abortion in China was only provided at the request of woman after contraceptive failure or for health reasons. "This is the legitimate right of a woman, which therefore should be fully respected," he said.

The position and policy of the Chinese Government on population and family planning had been explicitly expressed on many occasions. He said: "We held consistently that the population strategy and policy of each country should be formulated by its own government according to its own conditions, and that this should be respected by other countries. This is a matter of the sovereign rights of every country."

During recent years, China's economy had made substantial progress, and population growth had been checked successfully. He added: "this fact shows that China's population policy is fully justified. We shall therefore continue to adhere to it."



KIM TAE-CHUNG RETURNS TO SOUTH KOREA 8 FEB

## 6,000 Policemen Mobilized

OW082014 Beijing XINHUA Domestic Service in Chinese 1353 GMT 8 Feb 85

[Text] Beijing, 8 Feb (XINHUA) -- According to a foreign news agency dispatch, famous South Korean democratic figure Kim Tae-chung returned to Seoul by plane this morning via Japan from the United States. Kim Tae-chung was accompanied by his wife and two U.S. congressmen in arriving in South Korea.

The South Korean authorities today mobilized about 6,000 policemen to take tight security measures in the Kimpo Airport area, and set up checkpoints and roadblocks on the road leading to the airport to prevent Kim's supporters from going to the airport to welcome him. However, several thousand Kim supporters still gathered outside the security line, chanting slogans to oppose South Korean authorities, such as "Down with the dictatorship."

On the plane, Kim Tae-chung told a reporter that he was returning home to fight for his dream of a democratic system. He issued a statement at the airport, saying he would hold talks with all democratic figures so as to make contributions to the future of the South Korean people. As soon as Kim Tae-chung and his wife arrived, they were immediately sent to their residence in the western part of Seoul by South Korean security personnel.

According to a KCNA report, before Kim's return, the South Korean authorities put more than 20 democratic figures under house arrest. Among them was Kim Yong-sam, president of the defunct New Democratic Party. Since 2 February a total of 10 surveillance posts were set up around Kim Tae-chung's residence in order to "guarantee Kim's personal safety."

## Kim Tae-chung on Democracy

OW100301 Beijing XINHUA in English 0245 GMT 10 Feb 85

[Text] Pyongyang, February 9 (XINHUA) -- Kim Tae-chung, a well-known South Korean opposition leader, has expressed the hope that democracy will be restored in South Korea through dialogue. KCNA quoted foreign reports as saying Kim made the statement upon arrival at his home in Seoul on February 8. He said he is now under house arrest and is worrying about his security. Kim also said he would consult with other South Korean opposition leaders and do his best to serve the nation.

According to another report, Kim Yong-sam, president of the former New Democratic Party, has been prevented by police from meeting Kim Tae-chung when the latter returned home. Kim Yong-sam, in a telephone call on February 8, told Kim Tae-chung that he would join him in the struggle to change the present state of affairs. Kim Tae-chung returned home from the United States via Japan on February 8.

## U.S. Protests Treatment of Kim

OW090757 Beijing XINHUA in English 0654 GMT 9 Feb 85

[Text] Washington, February 8 (XINHUA) -- The United States today lodged a formal protest with South Korea against the "rough" treatment of returning exile opposition leader Kim Tae-chung and a U.S. delegation accompanying him.

Reports from Seoul said Kim Tae-chung was forcibly separated from the U.S. delegation upon his arrival in Seoul, roughed up in an elevator by the security forces and later placed under house arrest.

Former U.S. Assistant Secretary of State Patricia Derian, who was with the U.S. delegation, called the South Korean action "thuggery at its height."

U.S. State Department spokesman Edward Djerejian told reporters today that the U.S. Embassy in Seoul has lodged a protest and asked South Korea for an "investigation and an explanation." It also demanded a proper treatment of the Americans accompanying Kim.

Djerejian said that "we had hoped for a trouble-free return ... this obviously did not happen." However, the spokesman said the planned visit to the United States by South Korean "President" Chun Tu-hwan in April will not be interrupted.

Members of the U.S. Congress also expressed concern and disdain for the rough treatment of Kim Tae-chung by South Korean authorities. "I deplore the apparent physical abuse of Kim Tae-chung and the Americans accompanying him upon their arrival" in South Korea, said House Speaker Thomas O'Neill.

#### COMMENTARY EXAMINES KIM TAE-CHUNG'S RETURN

OW101401 Beijing XINHUA Domestic Service in Chinese 0833 GMT 10 Feb 85

["Commentary" by XINHUA reporters Li Tu and Gao Haorong: "South Korean Authorities Face a Test" -- XINHUA headline]

[Text] Pyongyang, 10 Feb (XINHUA) -- Noted South Korean democratic figure Kim Tae-chung's return from the United States via Japan to Seoul on 8 February has drawn attention of world public opinion and of various circles in society. Public attention is focused on Kim Tae-chung's fate. Is he held in custody, under house arrest, or is he free to act on his own? The reason for such attention is that this is a question concerning the political situation on South Korea and even concerning what effect will be created on the situation on the Korean peninsula.

Kim Tae-chung is a personality of considerable influence in South Korea. Prior to his return to Seoul, Kim Tae-chung said that the main purpose of his return to South Korea was not the imminent "assembly elections," but to "restore and realize democracy" and to "strive for the peaceful reunification of the fatherland." He even said that he was willing to seek South Korea's "political stability and the realization of democracy" through "nonviolent and orderly means" by holding dialogue with Chun Tu-hwan.

However, as soon as he stepped down from the plane, Kim Tae-chung was beaten up by police and forcibly taken home. In addition, the South Korean authorities put up iron railings, set up checkpoints, and deployed a large police force around his house, isolating him from the outside world. The possible effects on the South Korean society caused by this cannot but draw public attention.

As is known to all, a trend toward relaxation has appeared in the situation on the Korean peninsula since last year, and the public opinion of the world strongly hopes that the dialogue between the South and the North will continue and yield some results. For the continued progress toward relaxation, a major factor is that the political situation in South Korea itself be stable, and that the people of all social strata participate to a greater extent in the activities aimed at peaceful reunification.

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Prior to Kim Tae-chung's return to Seoul, opposition parties, social organizations, democratic figures, and young students in South Korea issued statements, made speeches, and held rallies and demonstrations to welcome him back home. They asked the authorities "not to put him in jail or under house arrest" and to guarantee his political freedom. They pointed out that if the South Korean authorities took inappropriate measures against Kim Tae-chung, "a tragedy will be created."

In the interest of the relaxation of tension, stability, economic development, and a stable life in the Korean peninsula, the people have every reason to demand that the authorities treat Kim Tae-chung in a reasonable way. On many occasions, the South Korean authorities have said that they hope to ease the tension in the Korean peninsula and improve relations between the South and the North. They have also acknowledged that "chaos and instability are the root causes jeopardizing the development of the country and the tranquility of the people." In this sense, the South Korean authorities are facing a test.

#### SOUTH KOREAN STUDENTS STAGE DEMONSTRATIONS

06081133 Beijing XINHUA Domestic Service in Chinese 1204 GMT 6 Feb 85

[Text] Pyongyang, 6 Feb (XINHUA) -- South Korean youths and students recently launched successive struggles demanding the holding of democratic elections. According to a KCNA report citing foreign press agencies, over 1,000 youths, students, and ordinary people in Seoul attended a meeting called by democratic personages at Pagoda Park on 5 February. After they were obstructed by the South Korean authorities, they immediately took to the streets, shouting "Down with the dictatorship," "Establish democracy," and other slogans, and clashed with the South Korean police who had come to suppress the demonstrators.

Prior to this, more than 1,000 students from 6 universities in Seoul, including Yonsei, Seoul, Koryo, Doha, and Songgyungwan Universities, attended the "Second Congress of the Students Association for Democratic Election" held at Yonsei University on 29 January. They demanded that the South Korean authorities "revise the 'election law'" and "completely lift restrictions on political activities," and vowed to boycott the "election of National Assembly members" scheduled on 12 February.

On 2 February some 300 college students staged street demonstrations. They threw stones at two offices of the Democratic Justice Party in Seoul and distributed leaflets strongly demanding the holding of "democratic elections."

FAILURE OF SRV DRY-SEASON OFFENSIVE STRESSED

OW101920 Beijing XINHUA in English 1903 GMT 10 Feb 85

["Commentary: Head-on-Blow to Vietnamese Aggressors" -- XINHUA headline]

[Text] Beijing, February 10 (XINHUA) -- The Kampuchean people will unite as one to carry on their anti-Vietnamese struggle until complete liberation of their country. This declaration by the president of Democratic Kampuchea, Norodom Sihanouk, at a press conference in the Kampuchean village of Phnum Malai yesterday is a head-on-blow to Hanoi and shattered its hope for political gains in its current dry-season offensive.

Having committed crack units from several divisions to the offensive, Hanoi hopes to boost the sinking morale of its troops with some military successes, produce an impact on the international community, and more important, to divide and disintegrate the tripartite Coalition Government of Democratic Kampuchea. This hope has now fallen flat and the dry-season offensive has produced results opposite to its wishes.

The campaign, now more than two months old, has met with stiff resistance. It failed to wipe out the effectives of the Democratic Kampuchean forces. Without any effect, the aggressor troops have stretched their own lines. With Norodom Sihanouk now in Democratic Kampuchean territory, the attempt to break up the coalition government and preventing Sihanouk to visit the liberated areas of the country has fallen flat on its face. Thus, the offensive merely accentuates Hanoi's persistence in its aggression and expansion, while the prestige of the Coalition Government of Democratic Kampuchea, which perseveres in resisting the invaders, is growing.

Hanoi would be well-advised to face the fact that the Kampuchean people cannot be subdued by force of arms. The only way to solve the Kampuchea problem is for Hanoi to pull all its troops out of Kampuchea in accordance with the United Nations resolutions and to allow the Kampuchean people to settle their own issues.

SRV SHOULD ACCEPT UN RESOLUTIONS ON CAMBODIA

OW091900 Beijing XINHUA in English 1838 GMT 9 Feb 85

["Hanoi Must Do What U.N. Resolutions on Kampuchea Require by Huang Yuan" -- XINHUA headline]

[Text] Beijing, February 9 (XINHUA) -- How should the Kampuchean problem be resolved? Should it be addressed in accordance with the related U.N. resolutions or outside of that framework? -- this is where the fundamental difference lies between the international community and the Vietnamese authorities.

It is widely known that the Kampuchean problem was created by Vietnam, which launched an aggressive war in that country. Obviously, the key to a solution to the problem is the withdrawal of the Vietnamese troops and an end to their aggression, so that the Kampuchean people can determine their own destiny through free and democratic national elections without outside interference. This is the most reasonable and fair solution, and all the U.N. resolutions on Kampuchea say so.

However, the Vietnamese authorities, against the desire of people all over the world, recently offered a so-called proposal to seek a solution to the Kampuchean problem in ways other than the U.N. resolutions.

In their recent meeting with U.N. Secretary Javier Perez de Cuellar during his visit to Hanoi, they said that talks on Kampuchea should not be confined to the related U.N. resolutions. Otherwise, there would be nothing to discuss. They reiterated the exclusion and even the annihilation of the Khmer Rouge as the prerequisite for a Vietnamese pullout from Kampuchea.

The on-going Vietnamese attacks on the Kampuchean resistance forces and their frenzied, peremptory ways of resolving the Kampuchean problem have shown that the Vietnamese authorities are obstinately rejecting the U.N. resolutions. These Vietnamese moves are rightly denounced by the Democratic Kampuchean Coalition Government and all the ASEAN countries. De Cuellar said recently in Jakarta that "the Vietnamese activity doesn't help my efforts."

The reason that 180,000 well-armed Vietnamese aggressor troops have failed in the past six years to conquer Kampuchea is that the three patriotic resistance forces of Kampuchea have been solid in their unity and persistent in their common struggle against the Vietnamese. They also have the support of the international community. The essence of the Vietnamese "political solution" is the disruption of this unity in a bid to make gains they cannot obtain in the battlefields. President Norodom Sihanouk of Democratic Kampuchea has categorically rejected Vietnam's proposed bilateral meeting with Heng Samrin. He promptly exposed Hanoi's malicious attempt to sow discord within the DK Coalition Government and annihilate the Khmer Rouge so as to expedite its colonization in Kampuchea. He points out that the Khmer Rouge is the major resistance force of some 50,000 fighters among the three resistance forces, and is the most capable of fighting the Vietnamese effectively. Thus they are the major obstacle to Vietnam's colonization of Kampuchea. Sihanouk's remarks have laid bare the ill intent of Vietnam's proposed "political solution". Moreover, the avaricious Vietnamese aggressors will not stop at Kampuchea. Thailand, which has long suffered from the effects of the Vietnamese aggression in Kampuchea, has sternly declared that it cannot accept a Kampuchean regime propped up by Vietnam, which it would consider a threat to peace and stability in Thailand. President Sihanouk also has pledged continued co-operation with the Khmer Rouge in the common fight against the Vietnamese until victory is achieved.

Facts have shown that there is an overriding need to keep sustained pressure on Vietnam by all the peace-loving and justice-holding countries until the Vietnamese authorities renounce their policy of aggression and expansion. Greater support and aid must be provided to the resistance forces until the Vietnamese change course and accept a solution to the Kampuchean problem based on the U.N. resolutions.



CHEN MUHUA AT OPENING OF TRADE CENTER IN FRG

OW080935 Beijing XINHUA in English 0856 GMT 8 Feb 85

[Text] Bonn, February 7 (XINHUA) -- China opened a joint trade corporation in Hamburg today as her main trade centre in Western Europe.

Li Shude, president of board and general manager of the corporation, said at the opening ceremony that his corporation will promote economic and commercial relations and cooperation between China and West Europe. In addition to increasing commodity imports and exports, the corporation will import advanced technology and equipment from West Europe to accelerate the four modernizations in China. The president said they will also do business with northern and southern European countries.

Addressing the ceremony, Chen Muhua, Chinese state councillor and minister of foreign economic and trade relations, talked about China's "open-door" policy. She said the "open-door" policy is a long-term government policy. Economic development in China will bring about a closer commercial relations between China and other countries, she added.

Among some 700 people at the ceremony were many well-known politicians and businessmen from Federal Germany, France, Italy, Belgium, Denmark, Britain, Netherlands, Ireland and Switzerland.

Willy de Clercq of the Commission of the European Communities, and Klaus von Dohnanyi, president of state of Hamburg, extended congratulations to China on the founding of the corporation. [Beijing XINHUA Domestic Service in Chinese at 1132 GMT on 8 February in a similar report adds: "An Zhiyuan, PRC ambassador to the Federal Republic of Germany, also attended the opening ceremony." ]

Returns From Europe

OW091622 Beijing XINHUA in English 1614 GMT 9 Feb 85

[Text] Beijing, February 9 (XINHUA) -- Chinese State Councillor and Minister of Foreign Economic Relations and Trade Chen Muhua returned here tonight after visits to Romania, Italy, Spain and the Federal Republic of Germany. She was met at the airport by Vice-Minister of Foreign Economic Relations and Trade Jia Shi and diplomatic envoys to China of the four countries.

MARCHAIS ELECTED FRENCH COMMUNIST GEN SECRETARY

Hu Yaobang Sends Congratulations

OW101654 Beijing XINHUA in English 1640 GMT 10 Feb 85

[Text] Beijing, February 10 (XINHUA) -- Hu Yaobang, general secretary of the Central Committee of the Communist Party of China, today sent a message to Georges Marchais, expressing his warm congratulations on the latter's re-election as general secretary of the Communist Party of France at the party's 25th congress. Hu said in the message: "I sincerely wish that during your new term of this glorious and important function, you would lead the French Communist Party to new success in all its activities and that the existing friendly relations between the Chinese and French Communist Parties would develop constantly."

## Ni, Marchais Address Rally

OW091728 Beijing XINHUA in English 1642 GMT 9 Feb 85

[Text] Paris, February 8 (XINHUA) -- A rally for international solidarity under the theme of "With the People in the Struggle for Peace, Progress, Development and Socialism" was held by the Communist Party of France (PCF) at Balard Square in Paris this evening.

The rally, which was held during the 25th National Congress of the PCF, was presided over by Maxime Gremetz, member of the Political Bureau and secretary of the secretariat of the PCF. More than 5,000 French Communists and supporters took part in the rally. Representatives of communist parties, progressive parties and national liberation movements attending the party's congress were invited to attend the rally.

A Chinese Communist Party delegation headed by Ni Zhifu, member of the Political Bureau of the Central Committee of the Communist Party of China (CPC), took part in the rally. Addressing the rally, Ni Zhifu said the French Communist Party is working hard to explore an independent socialist road according to its own country's conditions. Chinese Communists and the Chinese people appreciate its efforts, he said. He also briefed the rally on the remarkable achievements the Chinese Communists have gained in building socialism with the Chinese characteristics.

Ni Zhifu said the Chinese people love peace and are in favor of disarmament. They oppose the arms race, particularly the nuclear arms race, and stand for the Five Principles of Peaceful Coexistence among countries so as to maintain world peace and security. He stressed that the Chinese Communist Party advocates the development of friendly relations with communist parties of all countries and other progressive parties on the basis of independence, full equality, mutual respect and non-interference in each others internal affairs. He went on to say that the CPC is against the interference of other parties' internal affairs and the application of the relations with foreign parties to interfere in the internal affairs of that country.

Georges Marchais, the general secretary of the PCF, said at the rally that the main problem at present is to take actions for peace and disarmament. Therefore, he stressed, the stockpiling of new types of weapons should be stopped and arms reduction should be undertaken equally in the East and in the West so as to ensure lasting security for all countries. There also should be a ban on the militarization of space. The U.S.-Soviet disarmament talks should yield concrete results, he added. He also reaffirmed PCF support for the people of Asia, Africa and Latin America in their just struggle against imperialism and apartheid and for the safeguarding of independence and state sovereignty, as well as for social progress and the establishment of a new international economic order. Representatives of various delegations and other countries also made speeches at the rally.

ISRAEL SAID TO RAISE WEST BANK TENSION

OWO90809 Beijing XINHUA in English 0644 GMT 9 Feb 85

[Text] Beijing, February 9 (XINHUA) -- The Chinese newspaper PEOPLE'S DAILY today accused Israel of threatening to increase its military presence on the occupied West Bank. The newspaper said in a commentary that Israeli Defense Minister Yitzhak Rabin's recent allegation that Amman is a "center of terrorist activities" is false.

A special session of the Israeli inner cabinet, Wednesday, threatened to take military action in response to the killing of an Israeli soldier Monday at Ramallah, occupied West Bank. PEOPLE'S DAILY charged that Israeli authorities have increased tension on the West Bank and in the Gaza Strip by driving out Palestinians and building up Israeli settlements. "The upsurge of Palestinian resistance movements on the West Bank is an inevitable outcome of the ruthless rule of the Israeli authorities on occupied Arab land," the paper said.

It pointed out that the Israeli threats were aimed at the perpetual occupation of the West Bank and the prevention of an independent Palestinian state in the area. The building of an independent Palestinian state has widespread backing from the Arab states and the international community as a whole.

The Israeli authorities also intend to put military pressure on Jordan in an attempt to force the latter to give up its support for the Palestinians, the paper said. The paper took note of the large amount of U.S. economic and military aid to Israel. The U.S. could not avoid its responsibilities if Israel takes further actions which exacerbate the situation on the West Bank.

JI PENGFEI MEETS ETHIOPIAN RED CROSS OFFICIAL

OW101237 Beijing XINHUA in English 1141 GMT 10 Feb 85

[Text] Beijing, February 10 (XINHUA) -- State Councillor Ji Pengfei met with Dawit Zewdu, chairman of Ethiopian Red Cross Society, at the Great Hall of the People here this afternoon. Ji said China was concerned about and sympathetic to the African countries struck by natural disasters.

Thanking China for its assistance to his country, Dawit Zewdu told Ji that the Ethiopian people were working hard to develop production and overcome the effects of the natural calamities.

XINHUA INTERVIEW ON PROMOTING NEW GENERATION

OW110701 Beijing XINHUA Domestic Service in Chinese 1205 GMT 10 Feb 85

[Interview with an unidentified "responsible person" of the Organization Department of the CPC Central Committee by XINHUA and RENMIN RIBAO reporters on 10 February entitled: "Quicken the Cadres 'Four Requirements' Steps, Boldly Employ a New Generation of People"]

[Text] Beijing, 10 Feb (XINHUA) -- [Beijing XINHUA Domestic Service in Chinese at 0752 GMT on 10 February carries a service message, asking all newspapers to publish the item in a prominent place on the front page as suggested by the Organization-Department] Question: To promote a generation of new-type people and do a good job in readjusting the leading bodies at all levels constitute the fundamental guarantee in achieving victories for the modernization program and for reforms. Everyone is quite concerned about this issue. Could you please talk about the situation and your ideas in this respect?

Answer: Since the 3d Plenary Session of the 11th CPC Central Committee and under the leadership of the central authorities, the work of readjusting leading bodies has always been carried out step by step according to the principle of making cadres more revolutionary, younger in average age, better educated, and professionally more competent. Particularly since restructuring the administration in 1982, two important breakthroughs have been achieved in readjusting the leading bodies at all levels in an overall manner from the top to the bottom. First, about 900,000 old comrades have taken the lead in abolishing the program of life-long tenure for leading cadres with actual deeds by withdrawing to the second or third line. Second, more than 80,000 young and middle-aged cadres who are knowledgeable, professionally competent, able, and politically conscious have been promoted to leading posts at and above the county level. This has brought about changes in the structure of the leading bodies at all levels, and a situation where cadres of the younger generation are closely cooperating with the old and succeeding them. After assuming various leading posts, this batch of comrades who are knowledgeable, full of pioneering spirit, and in the prime of life has grown quite rapidly with the support and help of the old comrades. Many comrades have scored achievements and enhanced their abilities. Just as a leading comrade of the central authorities pointed out: Now is one of the best periods since the founding of the nation to do organizational work, mainly work with regard to cadres. A new situation to make the contingent of cadres meet their "four requirements" has been created. At the same time, we must also realize that our work still lags far behind demands for the new historical period. Some of the leading bodies are still of a transitional nature. Our pace remains slow, particularly in selecting and promoting young cadres who are knowledgeable, competent, ideologically sound, correct in work style, and capable of creating a new situation. Therefore, to promote a large number of able persons who have met the "four requirements" for cadres and to further reshuffle the leading bodies at all levels remain an extremely arduous and pressing task on the organizational front. The central authorities have set as one of the four major tasks facing the whole party this year the further readjustment of leading bodies. We must fully understand this point. When Comrade Deng Xiaoping recently talked about the decision adopted by the 3d Plenary Session of the 12th CPC Central Committee on the reform of the economic structure, he said: The "decision" has a total of 10 articles. The most important one is Article 9 which can be summarized as "respecting knowledge and talented people." Its success or failure hinges on the discovery and proper use of talented people. The current reform of the economic system and the development of the national economy urgently require a large number of young and middle-aged cadres who are innovative, knowledgeable in modern economic management and technologies, and capable of creating a new situation.



However, in our existing leading bodies at various levels, there are still a number of comrades who are not equal to their work because of their advanced age or lack of education. At the same time, in enlivening the economy, opening to the outside, and carrying out reforms in all fields during the past several years, a large number of talented people who have both ability and political integrity, who are courageous in carrying out reforms and good at creating the new, who are competent in organizing people and exercising leadership, and who have scored remarkable achievements have come to the fore. Only by timely promoting these comrades to leading posts at various levels will it be possible to ensure our success in reforming our economic system, develop the productive forces on an even larger scale, and meet the requirements imposed by the new situation and new tasks of leadership work. Therefore, in doing the work of readjusting leading bodies this time, we must further emancipate our mind and take bigger steps to turn, as soon as possible, the leading bodies at various levels and in various departments into leading collectives that are more energetic in doing work, more knowledgeable in science and culture, more fervent in demonstrating the pioneering spirit, and more capable of whipping up the masses' enthusiasm to wholeheartedly develop the four modernizations program and work together with one heart and one mind in promoting the new cause.

To reach this goal, the party Central Committee has decided that prior to the convening of the national conference of party delegates this year, the readjustment of party and government leading bodies in all ministries, departments, and commissions under the CPC Central Committee and the state and the readjustment of all provincial, autonomous regional, and municipal level party and government leading bodies should be completed in accordance with the "four requirements" for cadres and the requirement to "maintain stability for 5 to 8 years;" and that the readjustment of leading bodies in enterprises, particularly key enterprises, should be completed by the end of this year. Meanwhile, readjustment of leading bodies of universities, colleges, and major scientific research, medical, and cultural units should also be accelerated in the same spirit. It is a matter of great importance concerning economic development and the entire reform program. We cannot afford to be indecisive or slow in action. Otherwise, we will lose precious time and hinder the modernization of our industry, agriculture, national defense, and science and technology.

Question: Could you please explain how the current work of readjusting the leading bodies will be carried out?

Answer: The basic principle for the current task of readjusting leading bodies is still based on the instructions given by Comrades Hu Yaobang and Deng Xiaoping; that is, promotions on the one hand and resignations or retirements on the other hand. This requires that we resolutely follow the "four requirements" for cadres in employing a number of new people and at the same time follow relevant regulations of the CPC Central Committee in asking a number of veteran comrades to vacate some positions, thus "satisfying both sides."

Currently, attention should be focused on boldly selecting and promoting middle-aged and young cadres who have good political qualifications, real ability and learning, and a new spirit for reform and pioneering and who are capable of opening up new prospects. In their attitude toward economic construction and reform, cadres can generally be classified into the following types: The first type includes those comrades who can really act in accordance with the decisions of the 3d Plenary Session of the 12 CPC Central Committee; who can proceed from reality and creatively implement the party Central Committee's principles and policies; and who dare to break through various kinds of resistance and interference coming from various quarters and achieve outstanding results in their work. This type of comrade is a good, trustworthy cadre and a party member. Their number is rather large and is steadily growing.



Regarding this type of cadre, we must promptly find, select, and promote them, boldly use them, and assign them to important positions. The second type includes those who lack ambition and daring; who are bound by conventions and have endless misgivings; and who fear difficulties and are dilatory in their work. This type of comrade can still be found in each and every locality or department. But the majority of them are undergoing changes. The third type includes those extremely few cadres who totally disregard the interests of the state and the people and practice fraud and trickery to seek selfish gains for themselves or their clique. We must urge these cadres to correct their mistakes. Regarding those serious cases, they must be strictly handled according to party discipline and state laws.

A phenomenon that merits our attention is that in some localities or departments, good cadres or even very good cadres have frequently been subjected to criticism through gossip, causing their proposed selections and promotions to be shelved because of long unsettled disputes. Concerning this problem, responsible comrades and organizational and personnel departments of the party committees should find out the truth, differentiate between right and wrong on the question of principle, take a clear-cut stand to support the right opinion, and eliminate the interference of all conservative and other outworn ideas, but they should never dodge the issue, cover up contradictions, or evade responsibility. On the cadre issue, we must be just and honest and uphold principles. What is most important now is daring to step forward to protect those good cadres badly needed by the party and the people and boldly support them in their work. Of course, it is inevitable that even good cadres are not without some shortcomings. Thus on the one hand, we must boldly use them, while on the other hand, we must make strict demands on them making use of their strong points to make up for their shortcomings.

Selecting and promoting a number of outstanding young cadres requires that some veteran comrades step down from their present posts. Comrade Deng Xiaoping has clearly stated: "We have to do this; we have to take this road." Regarding this question, the whole party must further unify its thinking and must realize that employing young and outstanding cadres as soon as possible is not only called for by current developments but is also a strategic decision to ensure China's future prosperity. For the purpose of enabling our veteran comrades to leave their busy jobs and spend their remaining years in good health and security and in the interest of bringing up and employing a generation of new people as soon as possible, the CPC Central Committee has decided that from now on, all responsible cadres in ministries, departments, and commissions under the CPC Central Committee and the state government as well as those in the provincial, autonomous regional, and municipal level organs who have reached their retirement age, with the exception of those approved by the party organization to stay on their jobs for special reasons, should gradually retire from their work and responsibility. All advisers to the various ministries, departments, and commissions under the party Central Committee and the state government: all chairmen, vice chairmen, and Standing Committee members of the provincial level advisory commissions; and all party-member chairmen, vice chairmen, and Standing Committee members of the provincial level People's Congress and CPPCC who are 70 years of age or older must gradually retire from their duties. In the organizational structural reform 2 years ago, many veteran comrades willingly stepped down from their posts and recommended capable and virtuous persons to replace them, thus making contributions to the policy of employing new people and realizing the "four requirements" of the leading bodies. In the current readjustment of leading bodies, I believe that our veteran comrades can do even better.

Question: The policy to use a large number of outstanding middle-aged and young cadres has gained wide support from all quarters. Now, the question of most concern to everyone is how to correctly choose the right people. Can you give us an idea of how this will be done?

Answer: It is only natural that everyone should be so concerned about how to make the correct and best choices. Over the past several years, we have already accumulated some experiences in this regard. First, in selecting cadres, it is necessary to firmly establish the correct concept of "respecting knowledge, respecting talents," and to judge cadres by the party's morality and ability standards of the new period. In talking about the question of cadre selection, Comrade Deng Xiaoping said: "The most important political standards are bringing benefit to the people, developing productive forces, and making positive contributions to the socialist cause." Only by upholding these important standards and taking a broad view in selecting talented people from among the middle-aged and young intellectuals (including self-study intellectuals) can we succeed in selecting the truly outstanding talents. Second, it is necessary to emphasize the selectees' solid achievements and their organizational and leadership abilities. Generally speaking, cadres who have made outstanding achievements in economic construction and reform are also known for their relatively good virtues and abilities. By comparing the cadres' solid achievements in their work, we can see who are the more outstanding. We are liable to make wrong selections if we select cadres by relying on our personal impressions alone without checking their real achievements. Third, it is necessary to wholeheartedly follow the mass line and rely on the many "bo le's" [an expert in judging horses in ancient China] among the masses in selecting talented people. Since the 3d Plenary Session of the 12th CPC Central Committee, we have carried out bold reforms in this regard. During last year's readjustment of the leading bodies in the Anshan Iron and Steel Co., the Posts and Telecommunications Ministry, and Shaanxi Province, very good results were achieved by bringing democracy and the mass line into full play. Recently, the Shaanxi provincial party committee decided to spread its own experience in selecting secretaries to the committee upon recommendations from the masses to the readjustment of leading bodies in the various departments, commission, and bureaus directly subordinate to the provincial government. Many facts show that if the three experiences mentioned above are followed, we are sure to succeed in readjusting the leading bodies, selecting and promoting talented people, and even in building up the third echelon of successors.

Here, I would also like to talk about the question of diplomas and ability. In general, one's diploma ought to match one's ability. However, there are exceptions. Therefore, in addition to his or her diploma, a cadre should also be judged by his or her real ability and learning. Of course, if a cadre having a diploma has demonstrated his or her ability in the four modernizations by bringing benefit to the state and people and by outstanding achievements in his or her work, we will boldly select and promote that cadre. On the other hand, if a cadre who has no diploma but has acquired through self-study the knowledge and proficiency needed to fulfill his or her own job and who has demonstrated his or her knowledge and ability in opening up new prospects, we should also boldly use that cadre.

Question: How has the building of the third echelon gone, and what are the future plans?

Answer: After the Central Committee set forth the task of building the third echelon, thanks to the efforts party committees at all levels have exerted, a preliminary third echelon with a large number of proficient people of all trades and professions has been built in the country.

In the future we will, on the one hand, continue to broaden our field of vision to discover more talented personnel in all trades and professions to replenish and expand the rank of reserve cadres, and strive to build a third echelon mainly made up of outstanding cadres in their thirties and forties, but not over 50; on the other hand, we should do a still better job in coordinating the training and use of third echelon cadres so that they will be able to mature more rapidly in the course of creating a new situation, and be able to accept the tests made by party organizations and the people of their integrity and capabilities with their actual accomplishments. When a third echelon cadre has achieved outstanding success in a locality, he should be promptly promoted and used. But those who have accomplished nothing and are unable to create a new situation, or who have been carried away and have disappointed the party and the people who trust them, have to be replaced, even though they belong to the third echelon. Certain localities, paying no attention to achieving actual results in training and testing cadres, have hastily promoted cadres to certain positions and then transferred them to the lower departments to work with their new titles, and then, after a fixed period of training is over, brought them back and placed them in leading positions regardless of whether or not they have created a new situation or achieved any noticeable results in the lower department, and regardless of whether or not they are able to lead. This way of doing things should be corrected because it is useless for training genuinely useful personnel.

Building the third echelon is essentially an issue of solving the question of successors, and so we must uphold the prerequisite that cadres of the third echelon must be more revolutionary, and make sure that the "three types of people" and people having committed serious political and economic offenses will never be able to worm their way into this echelon.

Question: Can you comment on the current situation of implementing policies toward intellectuals and speeding up the development of intellectual resources?

Answer: Under the new historical conditions, firmly implementing the party's policies toward intellectuals is an important requirement for making our cadres more revolutionary, younger in average age, better educated, and professionally more competent, and in speeding up the development of intellectual resources. Since the 3d Plenary Session of the 11th CPC Central Committee, owing to the party's concerted efforts in implementing the policies of trusting intellectuals politically, using them rationally, and caring for their well-being, much success has been achieved in correcting the mistakes of belittling knowledge and discriminating against intellectuals. Today the enthusiasm among the broad masses of intellectuals has heightened noticeably. This is something unusual over a period of many years. However, arduous efforts must continue to be exerted before the problems among intellectuals can be fully resolved. Comrade Hu Yaobang pointed out not long ago that the tasks of implementing policies toward intellectuals and resolving the problems left over by history must not be put off any longer and must be accomplished earnestly before the convening of the 13th party congress. In the light of the Central Committee's guidance, we will focus our attention on three projects this year. First, we will continue to carry out propaganda and education among the people, particularly cadres at all levels, throughout the country on "respecting knowledge and capable personnel" so as to help everybody understand that not only is this an important guiding thought, but also a basic national policy. We must achieve the goal that all capable personnel will have the opportunity to contribute their efforts to socialist modernization and the conditions for doing so. This calls for further liquidation of the influence of "leftist" ideology on the issue of intellectuals, and firmly correcting the mistakes that still exist in many areas of belittling knowledge and discriminating against intellectuals. Additional specific organizational measures must also be adopted so that all intellectuals eager to help with modernization can bring their capabilities into play.

Second, we must earnestly deal with the problems of obstructing outstanding intellectuals from joining the party. We should actively develop party membership from among all intellectuals who want to join the party and who are qualified for party membership. We should also remind everybody that problems of obstructing intellectuals from joining the party also exist in units headed by intellectuals. This is primarily due to some comrades who are affected by sectarian bias and who envy people more capable than they are, as well as due to prejudices left over by history. Comrades with such misconceptions should be earnestly educated and enlightened. Third, intellectuals' pay should be raised. Comrades who use their knowledge to help the country and people become affluent as quickly as possible must be generously rewarded.

Question: How is the situation in reforming the cadre system, and what are this year's projects?

Answer: To achieve the goal of knowledge and capable personnel being respected, of people giving full scope to their capabilities, and of all capabilities being put to full use, we must have a cadre system that meets the needs of the new situation and that is potent and vigorous. To keep up with the need of shifting the focus of work of the whole party and the whole country and the need of creating a new situation for modernization, all localities have explored and experimented in various ways reforming obsolete regulations and rules of the cadre system. The reform has been primarily focusing on these issues: 1) abolish lifetime tenure for leading cadres; 2) settle the problem where cadres can only be promoted and not demoted or discharged; 3) promote exchange among leading cadres of county-level units and above and promote a rational flow of scientists, technicians, and other specialists; 4) take initial steps to smash egalitarianism in distribution and correct the situation where pay is not commensurate with responsibilities, work, and achievements; and 5) settle the problem of overcentralized authority and control among cadres. Of course, these measures of reform can only be considered as a good beginning, and much more work must be done in the future. For example, two types of situations regarding personnel management must be differentiated. First, personnel of units directly led by the party and the government must be examined and approved by higher-level party and government departments in accordance with their scope of authority in administering cadres and on the basis of fully adhering to the mass line. Second, with the exception of the members of their party groups, the leading bodies and leading cadres of certain mass organizations, such as the association of writers, the federation of literary and art circles, the association of science and technology, and so forth, should be elected through democratic processes by themselves. The recent election of the National Association of Writers was held in this way according to the ideas of central leaders.

The reform of the cadre system must conform to and be carried out simultaneously with economic development and reform of the economic structure. The current reform of the economic structure is still at an exploratory and experience-accumulating stage; so is the reform of the cadre system. Such being the case, we still cannot produce a whole set of specific plans and measures of reform that can meet the needs of all situations in the country. One relatively feasible way still lies in encouraging all localities and departments to display the spirit of being keen on reform, supporting all attempts conforming to the direction of reform, and fervently summing up and popularizing the successful experiences; these measures should be conducive to the development and rational use of capable personnel, to the succession of new cadres from the old and the cooperation between old and new cadres, and to giving ample play to cadres' enthusiasm and creativeness. We should not be overly critical of a reform which aims at building a stronger nation and helping the people become more affluent but which is also defective, or even misguided, as long as its principal orientation is correct.



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We should instead give it guidance and assistance so it can be steadily perfected.

Last year, after the Central Committee decided to transfer to lower departments an appropriate portion of authority in administering cadres, the number of cadres under the Central Committee's direct administration dropped by two-thirds, and the number of cadres directly administered by departments of other levels generally dropped between one-half to one-third. This has expanded the lower departments' authority in administering cadres and giving them greater responsibility in carrying out the policy of making the ranks of our cadres more revolutionary, better educated, younger in average age, and professionally more competent, and expedited the reform of the cadre system. Today, we must ensure that departments at all levels exercise their authority properly within the scope of their responsibilities. While they must speed up the pace of using outstanding middle-aged and young cadres, they must also make sure that only the proper personnel are used. While they must persist in accomplishing administrative reform, they must also adhere to the principle of simplifying administration and transferring authority to the lower departments, making sure that the problem of "overstaffing" is firmly dealt with and that speedy promotions in disregard of the setup and quotas approved by the higher authorities are not permitted. Recently, prior to the reform of the wage system, one speedy promotion after another took place in some localities and units. These localities and units should be promptly investigated, and those that refuse to mend their ways after being reminded must be seriously handled. Leading comrades at all levels must always be soberminded and give meticulous guidance to ensure that reform of the cadre system proceeds along the right track.

Today the conditions for improving organizational and cadre work have never been better. The party Central Committee is truly a mature Central Committee as Comrade Deng Xiaoping has pointed out. The principles and policies formulated by the party Central Committee fully conform to the needs of the party's political line, and their correctness will become more pronounced as our work proceeds. As long as we strive to maintain political unity with the party Central Committee, continue to emancipate our mind, seek truth from facts, pluck up our spirit, exert concerted efforts, and work creatively, our organizational work will certainly achieve still greater success and progress.

#### DENG XIAOPING MAKES INSPECTION TOUR TO NANJING

OW081842 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 7 Feb 85

[Text] Comrade Deng Xiaoping, member of the Standing Committee of the Political Bureau of the CPC Central Committee, chairman of the Central Advisory Commission, and chairman of the Central Military Commission, inspected Nanjing recently. Accompanying him were Comrade Wang Zhen, member of the Political Bureau of the CPC Central Committee, and others.

Upon his arrival at the Zhongshan Botanical Research Institute in Nanjing, Comrade Deng Xiaoping was warmly welcomed by (He Shaanan), director and associate researcher of the institute, and by others.

Noted in China for its research on subtropical plants, this botanical garden was virtually destroyed during the chaotic 10 years. When Comrade Xiaoping resumed his office in 1974, the institute's researches jointly sent him a letter requesting the return of the site for resuming research work. Thanks to Comrade Xiaoping's intervention and support, the institute regained its vitality.



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Ten years have passed: today, flowers that vie with one another in beauty and fragrance greeted Comrade Xiaoping's arrival at the botanical garden, reflecting the great achievements that the researchers have made in scientific research since the 3d Plenary Session of the 11th CPC Central Committee.

Upon his arrival at the China Zijinshan Observatory, Comrade Deng Xiaoping, an advocate of respect for knowledge and talent, was cordially greeted by the 83-year-old Comrade Zhang Yuzhe, member of the Chinese Academy of Sciences Scientific Council, honorary director of the Zijinshan Observatory, and a world-renowned astronomer. This showed the respect and love that the veteran scientist has for Comrade Xiaoping.

Greatly inspired by Comrade Xiaoping's inspection tour, researchers at these two scientific research units in Nanjing pledged to make greater contributions to revitalizing the Chinese nation in a burgeoning scientific age.

Comrade Xiaoping also visited the Jinling Hotel and expressed his appreciation after hearing a report by the hotel's general manager (Zhou Hongyou) on the efforts to develop a hotel management system with distinctive Chinese characteristics by learning modern hotel management from foreign countries and taking into account the hotel's special circumstances.

Comrade Xiaoping also visited Xuanwuhu, the Changjiang Bridge, and the Sun Yat-sen Mausoleum. Joyously laughing and applauding, the masses with which Comrade Xiaoping mingled wholeheartedly wished him good health and longevity.

During his sojourn in Nanjing, Comrade Xiaoping cordially received Xu Shiyou, vice chairman of the Central Advisory Commission, and other members of the commission in Nanjing. He also met with some veteran military and local comrades who had retired to the second and third lines, and had pictures taken with leading comrades of the Nanjing PLA units and various provincial departments.

#### HU QIAOMU ON INSPECTION TOUR OF FUJIAN

HK081006 Beijing RENMIN RIBAO in Chinese 7 Feb 85 p 2

[Report by staff correspondent Zhang Mingqing: "Hu Qiaomu Attends Army-People Spring Festival Tea Party in Fujian"]

[Text] Fuzhou, 6 Feb -- Comrade Hu Qiaomu, a member of the Political Bureau of the CPC Central Committee, who has been making an inspection tour of Fujian Province in recent days, today was invited to a "two supports" tea party sponsored by the province's Army and people to ring in the Spring Festival.

On the occasion, he said: The party Central Committee and State Council support the people in the urban and rural areas to become rich through labor, advocate more pay for more work and oppose egalitarianism. This principle will not change. In publicizing typical cases of becoming rich through labor, we should particularly cite those who become rich by appropriate means and do their bit for making our country more prosperous and the people rich. We should check the unhealthy tendencies of putting money first in everything and showing off one's social status by means of the amount of profits he has gained, which now prevail among a small number of people. We should unswervingly publicize the glorious tradition of serving the people among Communist Party members, government organizations, and socialist enterprises.

The wrong acts of units and individuals who get rich by inappropriate means, such as sabotaging socialist economic construction and usurping and discrediting the banner of reform and in violation of party discipline, administrative regulations, and state law should be stopped and cases of a grave nature must be dealt with severely according to law. This is a pressing necessity not only in the current party rectification and improvement of social mood but also for ensuring the smooth development of economic construction under the new conditions of carrying out reforms and opening to the outside world.

Speaking for the party Central Committee and the State Council at the tea party, Comrade Hu Qiaomu extended greetings and thanks to Fujian Province for its great successes scored in economic construction in recent years and to the PLA units stationed in Fujian for their efforts made in various fields.

#### WANG ZHEN ADDRESSES MEETING ON PARTY SCHOOLS

OWO92208 Beijing XINHUA Domestic Service in Chinese 1418 GMT 8 Feb 85

[Text] Beijing, 8 Feb (XINHUA) -- The national discussion meeting on the work of party schools concluded today. The meeting called on comrades in charge of the work of party schools to further improve the educational system of party schools and strengthen the regular education of party schools under the guidelines of the 3d Plenary Session of the 12th CPC Central Committee.

Central leading comrades including Xi Zhongxun, Song Renqiong, Deng Liqun, Hu Qili, and Qiao Shi met with representatives attending the discussion meeting. Wang Zhen, member of the Political Bureau of the CPC Central Committee and president of the Central Party School, attended and spoke at the meeting.

The discussion meeting opened in Beijing on 31 January. Participating in the meeting were 130 representatives of party schools of various provinces, municipalities, autonomous regions, prefectures, counties, and enterprises as well as comrades of the Central Party School. They jointly summed up and exchanged their experiences in promoting regular education at party schools. They also discussed and analyzed the new situation and problems of party school's work at present. They put forward methods for solving a number of urgent and major problems and proposed plans.

The participants unanimously held that since the convocation of the second national meeting on the work of party schools 2 years ago, party committees in various localities have conscientiously implemented "the decision of the CPC Central Committee on regularizing education at party schools" and the building of party schools has been developing in an all-round manner.

The meeting held that, fundamentally speaking, the regularization of education at party schools is to clearly set the goals of training at party schools of various levels in promoting the four modernizations; to revise and improve methods in running party schools including subjects of study, scope of training, and teaching method; to strengthen scientific research work; and to consciously build and gradually improve a training system at party schools in line with the need of the four socialist modernizations.

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The meeting pointed out: The key to promoting regular education at party schools at present lies in adhering to the policy of combining theory with practice under the new historical condition, conscientiously implementing the decisions of the 3d Plenary Session of the 12th CPC Central Committee, and carrying out necessary reforms to raise the quality of teaching.

The meeting especially pointed out: Going all out to strengthen contingents of teachers for party schools at various levels is the most fundamental thing in promoting the regularization of party schools. Party schools at various levels must seriously implement the party's policy toward intellectuals and show concern for teachers politically and in their work.

Jiang Nanxiang, member of the CPC Central Committee and first vice president of the Central Party School, presided over the discussion meeting.

#### XI ZHONGXUN, OTHERS STRESS UNITED FRONT WORK

OW081001 Beijing XINHUA Domestic Service in Chinese 1420 GMT 6 Feb 85

[Excerpts] Beijing, 6 Feb (XINHUA) -- A national conference on the theory of united front work opened in Beijing this morning. Speaking at the conference, Xi Zhongxun, member of the Political Bureau and member of the Secretariat of the CPC Central Committee, pointed out: The united front, filled with great vitality, has been a magic weapon, it still is. Unless we firmly grasp this magic weapon and make full use of it, we will be unable to accomplish important tasks of our party and our country.

The conference, which has been convened by the United Front Work Department of the CPC Central Committee, is the first meeting on the theory of united front work since the founding of New China. During the conference, some 200 theoretical and united front workers from inside and outside the party will earnestly sum up the experience and achievements in the study of united front theory since the 3d Plenary Session of the 11th CPC Central Committee, discuss the theory of united front work in the great undertaking of building a distinctively Chinese socialism, and prepare for the founding of a national society of united front theory.

Speaking at the conference, Xu Deheng, vice chairman of the NPC Standing Committee and chairman of the Jiusan Society Central Committee, said: It is not only an important but also pressing task to unfold the study of united front theory. Quite a few problems need to be solved in implementing the policy toward intellectuals. It is necessary to intensify publicity on the policy toward intellectuals in both theory and practice. Without an atmosphere of respecting knowledge and talented people in society, it will be difficult for us to accomplish the modernization program.

Zhou Guoheng, vice chairman of the NPC Standing committee and vice chairman of the Chinese Peasants and Workers Democratic Party Central Committee, said: The theory of united front work is a science that requires research efforts by all quarters. He said: The democratic parties must conscientiously study the scientific theory of united front work while applying this theory to practical work so as to continuously enrich and develop it as a science.

Hu Ziang, vice chairman of the CPPCC National Committee and chairman of the All-China Federation of Industry and Commerce, said: The 6 years since the 3d Plenary Session of the 11th CPC Central Committee, have been years characterized by concentrated efforts to serve national construction and by ease of mind.

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We must not only diligently study united front theory but also enrich it with our concrete actions in order to accomplish the three great tasks with concerted efforts.

Fei Xiaotong, vice chairman of the CPPCC National Committee and vice chairman of the China Democratic League Central Committee, said: Comrade Deng Xiaoping's idea of "one country, two systems" is a new development in united front theory. It has raised new questions in the united front that require in-depth discussion and study.

The meeting today was presided over by Yang Jingren, director of the United Front Work Department of the CPC Central Committee, and attended by Zhu Xuefan, Hu Yuzhi, Zhao Puchu, Huang Dingchen, Su Ziheng, Lin Liyun, Ping Jiesan, Li Gui, Jiang Ping, Li Ding, Peng Youjin, and others.

Participating in the conference are comrades engaged in theoretical, propaganda, and united front work of central propaganda departments, party schools, social science institutes, schools of higher learning, all democratic parties, concerned people's mass organizations, and all provinces, autonomous regions, and municipalities, as well as some coastal cities. Among them are nationally renowned scholars and theoretical workers, veterans of united front work who have accumulated rich experience over a long period of time, and new forces who have joined united front theoretical study and propaganda work in recent years.

#### Theory Research Group Set Up

OW081848 Beijing XINHUA in English 1830 GMT 8 Feb 85

[Text] Beijing, February 8 (XINHUA) -- A mass academic institute -- the China United Front Theory Research Association -- was founded here today at a national meeting. Yang Jingren, head of the United Front Work Department of the Chinese Communist Party Central Committee, was elected president.

Going back over 60 years, China's united front is a political alliance through which the Communist Party has cooperated with people of different ethnic groups, social strata and political affiliations for common goals. The association aims at approaching major subjects on the united front theory and practice so as to make it a better service for the tasks of the country's new historical period.

A 120-member association council was formed at the on-going national conference on united front theory. Most of the council members are famous scholars, theorists and people who have long been engaged in united front work. Among them are both Communist Party members, and non-communists from various walks of life including democratic party and religious leaders and representatives of ethnic minorities. Ma Bi, Standing Committee member of the National People's Congress and former director of the monthly magazine POLITICAL REVIEW in Taiwan, and 58 others were elected Executive Council members.

The Constitution of the society approved at the conference provides that the association's main tasks are drawing up a plan of academic activities, building up theoretical research, organizing cooperation, exchanging research findings among local associations and compiling magazines and materials on united front theory. Similar associations have been set up in 13 provinces, autonomous regions and municipalities, as well as some cities, counties and higher educational institutions.

A symposium on united front theory sponsored by the newly founded association will begin tomorrow.



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HAO JIANXIU ATTENDS MEETING TO AWARD GEOLOGISTS

OW091055 Beijing XINHUA Domestic Service in Chinese 0038 GMT 7 Feb 85

["Sidelights on the Second National Meeting To Evaluate and Award Outstanding Workers on Geological and Mining Front" by XINHUA reporter Yang Like: "Carry Forward 'the Brilliance of Geology'" -- XINHUA headline]

[Excerpt] Beijing, 7 Feb (XINHUA) -- People call our country's distinguished late geologist Li Siguang "the brilliance of geology." With persevering spirit, he dedicated his whole life to tapping valuable underground resources for the motherland. At the just concluded second national meeting to evaluate and award outstanding workers on the geological and mining front, this reporter heard many moving deeds of geological workers. "The brilliance of geology" is shining throughout the motherland. In the great cause of building the Chinese nation, the brilliance is getting brighter and brither.

Present at the award-issuing rostrum were 112 heroes on the geological front. Some of them came from the Gobi Desert and some of them came from the green regions of southern China. All of them came to report their work to the motherland.

Sun Qiaoli's hand was held tightly by Hao Jianxiu. Toward such warm greetings, she had only one thought: I only have done what I should do. Should I be greeted like this? Sun Qiaoli is 46 years old this year. When she graduated from Beijing Geology College in 1961, she never thought about the word "hardship" and made up her mind to go to Xinjiang.

FANG YI, OTHER LEADERS HONOR PHARMACY ANNIVERSARY

OW092333 Beijing XINHUA Domestic Service in Chinese 1459 GMT 9 Feb 85

[By reporters Zhao Quan and Pan Shantang]

[Excerpts] Beijing, 9 Feb (XINHUA) -- Some 200 people from various circles in the capital arrived at the Great Hall of the People in the middle of a heavy snowstorm to attend a gathering to celebrate the 315th anniversary of the Tongrentang Pharmacy.

To celebrate the occasion, Li Xiannian, Peng Zhen, Ulanhu, Wang Zhen, and Bo Yibo wrote inscriptions for the Tongrentang Pharmacy, encouraging it to carry forward tradition, bring into play its superiority, keep improving, and vigorously explore the legacy of traditional Chinese medicine and pharmacology in order to cure the sickness to save patients and improve the people's health.

Fang Yi, Wang Ping, Duan Junyi, Xu Deheng, Zhu Xuefang, Zhou Gucheng, and Miao Yuntai, as well as leaders of Beijing Municipality, attended the gathering to extend their congratulations. In his speech, Chairman of the Beijing Municipal People's Congress Standing Committee Zhao Pengfei spoke highly of the Tongrentang Pharmacy's contribution to the undertaking of traditional Chinese medicine.

Vice mayor of Beijing Municipality Chen Baosu officiated at today's gathering.



HY YAOBANG ON FAMILY, MARRIAGE PROBLEMS

OW100647 Shanghai City Service in Mandarin 0100 GMT 10 Feb 85

[Text] In his remarks written responding to a letter from a Chinese citizen, Hu Yaobang wrote that the family is the cell of Chinese society. How we handle our family and marriage problems has a direct bearing on the development of Chinese society. In dealing with marriage and family problems, we must not simply restrain ourselves to the guidance of correct public opinion.

DENG YINGCHAO WRITES INSCRIPTION FOR OPERA TROUPE

OW081217 Shanghai JIEFANG RIBAO in Chinese 5 Feb 85 p 3

[Text] Deng Yingchao, member of the Political Bureau of the CPC Central Committee and chairman of the CPPCC National Committee, wrote an inscription for the Zhejiang Xiaobaihua [a Hundred Small Flowers] Shaoxing Opera Troupe on New Years Day, 1985. The inscription reads: "Refraining from being arrogant and shattering complacency in order to make progress, making constant improvements so that latecomers can surpass old-timers."

Comrade Deng Yingchao wrote the inscription at the request of the performers in the troupe. After sending her inscription to Hangzhou, Deng Yingchao asked her secretary to telephone the Zhejiang Provincial Cultural Department to find out the latest situation of the Shaoxing Opera Troupe. She hoped that the members of the "Xiaobaihua" Shaoxing Opera Troupe would continue to make progress, and asked the Zhejiang Provincial Cultural Department and the leading personnel of the troupe to take good care of the members of the troupe.

Deng Yingchao also asked the Zhejiang Provincial Cultural Department to show concern for other troupes at the prefectural and county level, while showing concern for the provincial "Xiaobaihua" troupe. She hoped that all members of "Xiaobaihua" troupes of various types would grow healthily.

Comrade Deng Yingchao said: "Xiaobaihua" members are very lovely. All kinds of troupes should have "Xiaobaihua" and cultivate them carefully.

KANG KEQING ADDRESSES CEREMONY FOR TV PREMIERE

OW091200 Beijing Domestic Service in Mandarin 0400 GMT 7 Feb 85

[Excerpts] A ceremony to mark the premier of a television series "Xiang Jingyu," in commemoration of the 90th birth anniversary of Xiang Jingyu, an outstanding CPC member and leader of the Chinese women's revolutionary movement, was held at the Ministry of Radio and Television on 7 February.

Attending the ceremony were Comrades Wang Renzhong and Kang Keqing, and family members of Comrades Xiang Jingyu and Cai Chang.

In her speech at the ceremony, Kang Keqing said: To represent Xiang Jingyu's great life on the television screen is an innovative undertaking of great significance. On behalf of the All-China Women's Federation and the broad masses of women, Kang Keqing thanked the comrades who produced the series.

The series, divided into five parts, each lasting 50 minutes, was coproduced by the China Television Drama Production Center and the Wuhan Television Station. It will air during the Spring Festival.

LI DESHENG GREETES WELL-OFF RETIRED SOLDIER

OW012050 Beijing XINHUA Domestic Service in Chinese 0050 GMT 1 Feb 85

[By correspondent Song Guojun, reporter Li Xinuan]

[Excerpts] Shenyang, 1 Feb (XINHUA) -- Xinglongwopu village, a windy and dusty dryland area in (Yimatu) [0122 7456 0956] Township of Fuxin Monggol Autonomous County, Liaoning, became a well-off village last year with a per capita income exceeding 1,000 yuan. This is thanks to Xia Wenqing, retired soldier and party branch secretary of the village, who has led the villagers to strive to get rich through hard work. After hearing of this good news, Li Desheng, member of the Political Bureau of the CPC Central Committee and commander of the Shenyang Military Region, recently sent a cable to extend his congratulations and encourage Xia Wenqing to strive for still greater achievements in the new year.

Last spring, Xia Wenqing attended a discussion meeting of representatives of demobilized and retired soldiers convened by Commander Li Desheng. Pleased to hear Xia Wenqing mention that Xinglongwopu village's 1983 per capita income has reached 792 yuan, Commander Li asked him: Can you increase your per capita income to 1,000 yuan in 1984? Xia Wenqing replied: We will strive to attain the goal. When we do, we will report to the commander. As it turned out, the goal was attained last year. The village's per capita income reached 1,065 yuan. In the beginning of this year, he wrote Commander Li a letter to report the good news.

STATE COUNCIL APPROVES REPORT ON PUBLIC BIDDING

OW081908 Beijing XINHUA Domestic Service in Chinese 0102 GMT 8 Feb 85

[Text] Beijing, 8 Feb (XINHUA) -- China will tentatively implement the public bidding system at home to secure machinery and electrical equipment that it plans to import. Items that are not available through public biddings at home will be imported.

On 29 January the State Council approved and transmitted a report by the State Economic Commission and the State Bureau of Materials and Equipment on "Requests for Instructions on the Problems Related to the Work of Taking Bids for Machinery and Electrical Equipment." It noted: Gradually substituting the method of taking bids in China for the method of making examinations and giving approvals at various levels is an important way to improve the procedure of examining and managing the imports of machinery and electrical equipment. It is also an important reform in the current circulation work. It is designed to meet the needs of opening to the outside world and enlivening the domestic economy, as well as to promote technical progress of the machine building industry. All localities and departments should give full attention to this work.

The report of the State Economic Commission and the State Bureau of Materials and Equipment defines the scope of implementing the public bidding system for machinery and electrical equipment at home on a trial basis. From now on, all hub cities will make arrangements to establish public bidding companies to invite tenders throughout the nation for machinery and electrical equipment to be acquired through biddings.

After the bidding, if the items still need to be imported, the companies that invite tenders will make recommendations, on the basis of which all localities and departments as well as customs offices, banks, and foreign trade and other related units will take corresponding actions without going through the process of getting approvals at various levels. The work of inviting tenders is not confined to certain localities or trades. It may be carried out throughout the nation. Units that want to import machinery and electrical equipment and have the required foreign exchange and funds may directly ask the public bidding companies to invite tenders. Production enterprises that are legal persons and have the ability to produce and supply the items may take part directly in the biddings. The items bid on should meet the requirements of the units that need the items, and the latter's consent must be secured before the bidding is considered valid.

The "Report on Request for Instructions" says: To promote the development of the machine-building industry and increase the competitiveness of China-made machinery and electrical equipment, the following measures should be taken to encourage the course of public bidding: 1) Products that have won the bidding should be incorporated into the production and distribution plans at all levels ahead of other products. The supply of raw and semifinished materials as well as parts and accessories needed by them should be guaranteed. 2) A floating price system will be used for products that have won the bidding. Good prices will come with good quality. The prices of these products are not to be restricted by the prices for allocating such products at home. 3) If crucial equipment and special materials must be imported or cooperation with foreign firms is needed to produce the items that have won the bidding, the enterprises that have won the bidding may consider the circumstances and collect a foreign exchange allotment charge [wai hui e du 1120 0565 7345 1653] from the units that have entrusted others to invite tenders. This charge should not be more than 30 percent over the product value. 4) Enterprises that have won the bidding should deliver the products in good time and with quality and quantity ensured. They should provide good technical service for customers and undertake the ensuing economic and legal responsibilities.

The State Council has agreed to set up the China Machinery and Electrical Equipment Public Bidding Consulting Service Center. Entrusted by the state, the center is responsible for formulating principles, policies, and measures for public bidding; helping departments concerned organize, establish, and register public bidding companies; exercising a unified management; coordinating the efforts to solve important issues in public bidding; releasing relevant information; and supervising, inspection, and guiding the businesses of public bidding companies in all cities.

#### RENMIN RIBAO ON READJUSTING AGRICULTURAL OUTPUT

HK080935 Beijing RENMIN RIBAO in Chinese 6 Feb 85 p 1

[Commentator's article: "Help the Peasants Turn Worry Into Joy"]

[Text] To realize the rationalization of the setup of industries, some areas with concentrated production of grain and cotton are required to reduce their grain-growing and cotton-growing areas to a fairly large extent. Will such a measure decrease the speed of growth of production in these areas and even reduce the income of the peasants in these areas? This is a question that worries the cadres and peasants of some areas. Weixian County mobilized the masses to discuss the measures to reduce the cotton-growing areas and to readjust the plans for planting. They have formulated plans that can increase the income of the peasants instead of decreasing their income, and the masses have turned worry into joy and are full of confidence. This is a very encouraging thing.

At first, the cadres and masses of Weixian County were both worried and glad about the readjustment of the industrial setup, but they were more worried than glad. In the past, they had obtained better income and doubled their output by relying on the cultivation of cotton, but now tens of thousands of mu of cotton-growing areas were to be reduced according to social needs. At first it seemed that the income of the peasants might be greatly reduced, and no wonder it was hard for the peasants to effect a change of their understanding.

In Weixian County, people at all levels carried out serious studies and developed intensive discussions, and they realized that it was imperative to reform the unitary planting structure. Thus, they exerted concerted efforts to find new industries and succeeded in finding a new way of increasing their income. Facts have proved that reforming the system of state monopoly for purchase and sales and readjusting the industrial structure of the grain-growing and cotton-growing areas according to the needs of the market can bring new vitality to the economy of these areas and increase the potential for increasing their income. This is the requisite path in guiding the broad masses of peasants to embark on the road of affluence.

Of course, because of the influence of the old customs and the difference of conditions in various localities, there will be some difficulty readjusting the planting structure and the industrial structure. In some places, the preparations are insufficient, the policy is not relaxed enough, the steps are unsteady, and the work is not well-founded, and it is very possible that for a time, income may be reduced.

Here, "increase" or "decrease" in the year of readjustment depends to a great extent on the ideology and style of the cadres. The leadership and the broad masses of cadres of Weixian County did a good job in changing their own understanding first, and then they went deep into the grass roots and conducted investigations, and mobilized the masses to carry out discussions on ways to get rich. After detailed calculations, plans and measures for increasing income were worked out for every township, every village, and every household. This is a correct working line. In expanding market regulation, it is necessary to act according to the law of value under the guidance of the state plan. This requires that the relevant departments and cadres should establish the viewpoint of taking the market into account, and strengthen their guidance and services in various aspects such as implementing policies, planning channels of production, utilizing the land, arranging workforce, and utilizing capital, technology, and information. This is the only way to implement the party's policy of enriching the people that will also be welcomed by the peasants.

Weixian's large-scale discussions on ways to get rich comprise not only propaganda and education, but also the practical discussions on economic matters. Their calculation of money matters was not superficial, but was carried out and discussed in detail at every level.

Each household was helped to work out concrete measures to increase production and income, and consequently all the cadres and masses had a solid understanding of ways to increase the output and the income, and their worry was turned into joy. If there were no such attitude of serving the people whole-heartedly and a practical work style, but just the shouting of empty slogans, or if there were only formalistic and superficial things, working out only those impractical plans, the peasants could not truly turn their worry into joy.



## Weixian County's Progress

HK080933 Beijing RENMIN RIBAO in Chinese 6 Feb 85 p 1

[Report by Zi Bin, Li Zhen, Yan Min, and Qiu Ying: "Hebei's Weixian County Readjusts Setup of Production, Draws Up New Plan for Increasing Income"]

[Text] Under the condition that the industrial structure needs to be readjusted and the production of cotton needs to be greatly reduced, Weixian County in Hebei Province, which realized its first doubling of output by expanding the cultivation of cotton, mobilized the masses to conduct discussions on matters of doubling output and getting rich. The whole county has made detailed calculations, the peasant households have reported their household accounts, and the plan for a further increase of 100 yuan of per capita income has been drawn up. In this way, the broad masses and cadres have turned their worry into joy. After 1981, Weixian County shook off the ideological fetters of "taking grain as the key link," and actively readjusted the layout of crops, and the cotton-growing area was increased from the original 200,000 mu to 500,000 mu. Last year, the total output of ginned cotton reached nearly 80 million jin, and the total industrial and agricultural output value of the county reached 262 million yuan, an increase of 150 percent over 1980, and the per capita income increased from 50 yuan to 348 yuan. This year, the state has decided to cancel the method of state monopoly for purchase of cotton. At first, the cadres and the masses were very worried, for they feared that their first doubling of output would not be able to be sustained and it would be hard to realize the second doubling of output. Moreover, they were afraid that the income of the peasants might fall.

In the face of the reality, the county CPC committee and government realized that the production of cotton had exceeded the need, and the problem of difficulty in disposing of the cotton would become more conspicuous. Because of the overstocking of cotton, the county had to pay as much as 700,000 yuan as monthly interest for the funds used for this purpose, which became a heavy burden for the county financial authorities. The one-sided development of cotton suppressed the development of forestry, animal husbandry, and rural industry. They saw clearly that in developing agricultural production, "taking grain as the key link" was not feasible, nor was it feasible to "take cotton as the key link," and it was necessary to establish a rational industrial setup in accordance with the needs of the market as well as the local resources.

To help the cadres and masses to change their understanding and to realize the significance of readjusting the industrial setup, discussions were extensively conducted throughout the county on how to achieve doubling of output and on becoming better off, with cadres at the county and township levels taking care of villages, and with village cadres and party members taking care of households. The county worked out a new plan for readjusting industrial structure and increasing income:

1. A total of 200,000 mu of land on which cotton had been planted was converted to growing melons, vegetables, peanuts, and potatoes. The income from these industrial crops was enough to compensate for the loss of income resulting from the reduction of cotton fields.
2. Importance should be attached to cultivation of fruits and to the breeding industry. The household contract system is to be practiced concerning the existing 68,000 mu of badly managed, low-yield fruit forests, so operation can be improved and income from the forestry industry can be increased. Good work should be done on the purchase and sales of poultry and domestic animals and the supply of compound feed, in order to mobilize the initiative of thousands of households in breeding poultry and domestic animals.



3. Rural work and the third industry should be actively grasped. The county-run enterprises should expand their outstanding products; the township and village enterprises should attach importance to bringing in new items, equipment, technology, and talented persons. It was estimated that the newly established 85 township-run factories and 580 villages-run factories could yield an output value of 50 million yuan. At the same time, family industries should be actively developed, the total output value of which was estimated to reach as much as 30 million yuan. Through the readjustment of these three levels, the total industrial and agricultural output value could reach 310 million yuan, and the per capita income of the people in the county could further increase by 100 yuan over the present level.

#### SOCIALISM NOT HIGHEST STAGE OF COMMODITY ECONOMY

HK081330 Beijing GUANGMING RIBAO in Chinese 3 Feb 85 p 3

[Article by Wang Guiting: "Socialism Is Not the Highest Stage of the Commodity Economy"]

[Text] In their article entitled "Socialism Is the Highest and Final Phase of the Commodity Economy" carried in the 20 January GUANGMING RIBAO, Comrades Xu Jingde and Yang Zhichao held that socialism is the highest stage of the commodity economy. This viewpoint is open to discussion.

In my opinion, the criterion for judging the level of development of the commodity economy is the level of development of commodity production and commodity exchange, that is, the level of large-scale commodity production. The course of large-scale commodity production can be examined from two aspects. One aspect concerns the width and depth of commodity production and commodity exchange, that is, whether all social products are available in the form of commodity, and whether all labor exchanges between man and man are conducted in the form of commodity exchange. The other aspect concerns the quality of the large-scale commodity production, that is, whether the law of value and the law of demand and supply are playing their role fully and spontaneously.

A comparison between socialist society and capitalist society shows that large-scale commodity production develops to a higher level in capitalist society, not in socialist society. It is not until the commodity economy of capitalist society has developed to the extreme that the irresolvable contradiction between socialization of production and private ownership of the means of production come into being, thereby bringing about the destruction of capitalist society and the triumph of socialism. Socialist society is not an upgrade of the level of capitalist large-scale commodity production but a restriction preventing capitalist large-scale commodity production from going to the extreme.

A comparison in terms of width and depth shows that the commodity economy in socialist society is "narrower" and "shallower" than the capitalist commodity economy. When the labor force and the resources of rivers, lakes, mines, and forests are withdrawn from the sphere of commodities, a part of the labor exchange will no longer be conducted in the form of a commodity exchange. For example, the citizens will provide voluntary services to the state, society, and some people who have lost their working abilities.

Let us make another comparison in terms of quality of the commodity economy. In socialist society, although the law of value and the law governing demand and supply continue to play their role, this role is still interwoven with the socialist basic economic law and law of planning. The spontaneity, blindness, and passivism of these laws are restricted, and their role is also limited to a certain extent.

In our country, which directly moved from a semifeudal, semicolonial society to socialist society, the commodity economy has never developed in the way it should, so that the task of vigorously developing the commodity economy still remains in the socialist stage. However, in no way does this mean that socialism is the highest form of the commodity economy. Under the socialist system built on the basis of a capitalist country with a highly developed economy, it is not necessary to develop the commodity economy to a still higher level. There is absolutely no doubt about this.

#### OFFICIAL COMMENTS ON CUSTOMS LAW REVISIONS

OW090923 Beijing XINHUA in English 0840 GMT 9 Feb 85

[Text] Beijing, February 9 (XINHUA) -- Customs officials are seeking opinions on fashioning China's customs law, which will be submitted to the National People's Congress Standing Committee, a senior customs officer said here today. At the same time, regulations on customs tariff are being revised.

A new set of regulations will come into effect on March 1, allowing travellers to bring in from abroad production tools for private use. This does not include machinery and power equipment, the import of which is restricted. Under the new regulations, travellers will be able to bring in tools with a total value of 5,000 yuan (about 1,800 U.S. dollars) after paying tariff. Tools sent in by relatives or friends abroad worth between 5,000 and 20,000 yuan (7,100 dollars) can also go through the customs after tariff is paid.

Because of the present policy of opening to the outside world, customs regulations must be relaxed and formalities simplified, said the official, adding: "Our purpose is to make it more convenient for entry and exit, while effectively checking smuggling."

Customs offices throughout the country supervised 120 million tons of imported and exported goods and examined 24 million passengers and their luggage and one million postal parcels in 1984. Tariff levied during the same year came to 9.78 billion yuan (about 3.5 billion U.S. dollars), and the value of smuggled goods seized was 77 million yuan (25 million dollars).

#### BO YIBO INSPECTS SHENZHEN SPECIAL ECONOMIC ZONE

HK100714 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 10 Feb 85

[Text] According to NANFANG RIBAO, Bo Yibo, vice chairman of the CPC Central Committee Advisory Commission, inspected the Shenzhen Special Economic Zone from 1 to 9 February. Comrade Bo Yibo said: There have been great changes in the Shenzhen special zone, and it is improving every year. He stressed that the special zone must respect knowledge and talent, focus on developing industry, and master new technology. The zone should strive for high product quality geared to the international market. Its products must be competitive. He sincerely exhorted the party members and cadres in the special zone to be the first to suffer hardship and the last to enjoy comfort, and be men serving the people wholeheartedly. They must always keep cool heads and be modest and prudent.

Comrade Bo Yibo, who is 77 this year, inspected the special zone in 1981 and 1983. On this occasion, accompanied by Kou Qingyan, chairman of the provincial Advisory Commission, and leading comrades of Shenzhen City, he visited the city and its surrounding rural areas, Shatoujiao Town, Shenzhen University, Shoukou Industrial zone, and some enterprises linked to the interior, joint ventures, and tourist spots.

The veteran Bo was extremely gratified at the bustling air of construction in the special zone.

He said: I have now inspected Shenzhen three times. I feel Shenzhen's changes are greater year by year, and the zone is improving every year. The veteran Bo was happy at the zone's achievements in recent years. He said: Work in Shenzhen City has been done well. In particular, it has embarked on a new road for us in attracting investment from abroad and linking up with the interior to develop the economy. The successes of the special zone in recent years prove that the CPC Central Committee's policy of opening up to the world is absolutely correct.

#### DISCIPLINE COMMISSION ON UNHEALTHY TENDENCIES

OWO91125 Beijing XINHUA Domestic Service in Chinese 1434 GMT 8 Feb 85

[Text] Beijing, 8 Feb (XINHUA) -- The CPC Central Committee's Discipline Inspection Commission called a meeting today to discuss how to curb the new, serious unhealthy tendencies which had emerged in the current reform of the economic structure. The meeting was attended by the leading members of the party groups of the various departments and commissions of the CPC Central Committee and the State Council, the leading members of the party groups of people's organizations, and the responsible persons of various discipline inspection commissions and groups. The meeting called on the whole party to strengthen party discipline, implement resolutely the policies set by the CPC Central Committee and the State Council, to obey orders, and not to violate regulations. At the same meeting Wang Heshou, permanent secretary of the Central Discipline Inspection Commission, discussed the new unhealthy tendencies and proposed measures for correcting them. Tian Jiyun, vice premier of the State Council, attended the meeting. He also spoke at the meeting.

Wang Heshou said: Since the decision on reform of the economic structure was adopted by the 3d Plenary Session of the 12th CPC Central Committee, an excellent situation has emerged throughout the country. We have achieved many unexpected good results in various fields of work. The problem confronting us now is the emergence of the new unhealthy tendencies which are seriously disrupting the CPC Central Committee's principles and policies and the reform of the economic structure. Here are some of the principal unhealthy tendencies: party and state institutions and party and government cadres engage in commerce, run enterprises, and abuse their power by buying and reselling products for profit; prices are being raised indiscriminately in violation of policies; wages are being increased at will; bonuses and materials are being given out indiscriminately; fraud is being practiced; the practice of giving feasts is expanding in scope and rising in degree and some unhealthy newspapers are being run for profit.

Wang Heshou said: These unhealthy tendencies amply show that some of our party members, cadres, and party and government institutions have disregarded organizational discipline, taken no heed of the regulations, policies, and directives of the CPC Central Committee and the State Council, disobeyed orders, and violated regulations. Some people have even taken advantage of the current reform by adopting this approach to work: "policies from higher levels, countermeasures from lower levels." This unhealthy tendency is causing the greatest harm now and is the principal obstacle affecting our socialist modernization and reform of the economic structure. He believed that the main cause of the emergence of these unhealthy tendencies was the relaxation of party and government discipline, lack of efforts to strictly enforce the law, the poor political quality of party members and cadres, and their lack of principles for guiding party spirit. Wang Heshou said: Whether what department and party cadres do in the current reform of the economic structure is right or wrong is determined by whether what they do is in line with the party's line, principles, and policies and is conducive to promoting the productive forces in society, whether they seek personal gain by abusing power, and whether what they do is in line with the principle for guiding party spirit.

In conclusion, Wang Heshou proposed the following requirements for curbing the new unhealthy tendencies: All departments and professions must conduct a careful investigation into the situation of the unhealthy tendencies and take effective measures to correct them, and then report the results to the CPC Central Committee, the State Council, and the Central Discipline Inspection Commission; all departments and areas must strengthen the enforcement of party discipline, government discipline, and state laws. They must resolutely punish those who violate laws and discipline and must never connive at wrongdoing. Those who commit serious offenses must be removed from their posts or even expelled from the party. It is necessary to strengthen ideological and political education and education in discipline so that all will take into account the overall interests, do their work according to the party's principles and policies, and oppose any move that serves the interest of a small group in a unit at the expense of state interests. It is necessary to set up strict administrative rules. Wang Heshou called on all departments and commissions of the CPC Central Committee and the State Council to set an example in implementing the policies of the party and the state and in correcting the unhealthy tendencies.

Tian Jiyun said in his speech: Our country's current situation is very good, providing a truly excellent opportunity for economic reform. We have a party Central Committee that upholds a practical ideological and political line, and we have a stable society. The people, whose mental outlook has never been better, have rallied closely around the CPC Central Committee, exerting wholehearted efforts in achieving the four modernizations. Our country's national economic growth was rapid from 1979 to 1984, and our economic development is sound and coordinated. Last year the five composite economic indexes -- the value of agricultural output, heavy industrial output and light industrial output, as well as people's income and the state's revenue -- were on the whole growing simultaneously. The people's living standard improved considerably and the level of consumption increased. Under such circumstances, it was very timely and correct for the CPC Central Committee to decide to restructure the national economy as a whole, with the focus on the urban economy.

He said: To ensure smooth progress of economic reform, we must firmly fight against all sorts of unhealthy tendencies. Since the second half of 1984, several gusts of evil winds have appeared, and some are rather serious. The first gust of evil wind is characterized by government organs or cadres being engaged in commercial businesses, taking advantage of their authority to seek personal gains. The second gust of evil wind is characterized by using public funds to make garments for workers and staff members; some departments have made hundreds of thousands of business suits for their staff members and workers. The third gust of evil wind is characterized by issuing cash bonuses or other rewards in kind to staff members and workers; the amount of bonuses some units have given to each worker or staff member within 1 year is several times higher than permitted. The fourth gust of evil wind is characterized by the supply of free lunch. In addition to these, there are also other unhealthy tendencies, such as unauthorized promotions, raising commodity prices thoughtlessly, and so forth. These unhealthy tendencies, if not firmly and promptly stopped, will corrupt the party style and social order, which have changed for the better, and will obstruct the smooth progress of economic reform.

Tian Jiyun said: We must strengthen our leadership over economic reform, unify our thinking and synchronize our steps, and each of us should not go his own way. The whole party and the whole nation must work hard to attain the targets of reform. He stressed that all types of unhealthy tendencies must be firmly halted, and all serious offenses harshly punished.

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Tian Jiyun expressed the belief that, as long as all party members and people in the country maintain unity with the CPC Central Committee in thought and deed, enforce discipline, and take resolute steps to stop all types of unhealthy tendencies, there is great hope for the nation's economic reform and four modernizations.

Today's meeting was chaired by Han Guang, secretary of the Central Discipline Inspection Commission. Other secretaries of the commission, including Wang Congwu, Li Chang, and Ma Guorui, attended the meeting.

#### XINHUA COMMENTATOR ON WANTON MONEY DISTRIBUTION

OWO81948 Beijing XINHUA Domestic Service in Chinese 0839 GMT 7 Feb 85

[XINHUA commentator's article: "It Is Necessary To Represent the Interest of the Masses in a Correct Manner"]

[Text] Beijing, 7 Feb (XINHUA) -- Wanton distribution of money and commodities in violation of state regulations has happened frequently in some places recently. It is quite reasonable to criticize this situation; however, some people have a different view. They hold that giving away more money and commodities was to "show concern for the living of the masses" and to act "on behalf of the interest of the masses." This kind of argument may sound all right, but in fact their viewpoint is groundless.

Serving the people wholeheartedly is the goal of public functionaries. All cadres should pay attention to developing production in order to create more financial sources and strive to improve the people's living condition on this basis. We should praise and vigorously promote this action. A point worth our attention is that the responsible persons in some places are taking action to increase the income and improve the living condition of the masses not by developing production and creating more financial sources, but by sacrificing the interest of the state or the public and depleting the state revenue. They either increase bonuses for staff members and workers by withholding profits which should be turned to the state and using administrative and business funds, or distribute Western-style clothing, shoes, recorders, television sets, and other commodities to staff members and workers by using the state funds to improve the so-called collective welfare. They treasure their own money as their life but are very generous in wantonly spending state funds. Does their action represent the interest of the masses? Our answer is that it does not.

First, we should see that our socialist country represents the interest of people of all nationalities in the whole country. State funds are gathered from the people and should be used for them. Depleting state funds is actually an act which encroaches upon the interest of the masses. This is just like the situation in which a family member wastes the family's money, and all the other family members are adversely influenced. The method of treating their own units well at the cost of the interest of the entire people of the country is apparently wrong. Only when we show concern for the masses of our own units while refraining from hurting the interest of the people of the whole country can we truly represent the interest of the masses.

Second, increasing the masses' income by increasing production in excess of capacity is also undependable. We can only gain benefit from the increase of income in this manner for a short period, because in this way the expansion of reproduction will be limited or damaged. Therefore, this kind of method cannot last long. It is just like killing the hen to get the eggs. This way of thinking only about enjoying satisfaction today and disregarding bitterness tomorrow is to sacrifice the long-range interest of the masses.



Third, giving more money to people will not necessarily improve the living condition of the masses. Money has value only when it can buy sufficient commodities; otherwise, it will be valueless regardless of how large the amount of money. For example, if there are only 10 pairs of shoes in the market, consumers with 200 yuan cannot get more than if they had only 100 yuan. This is because the price of each pair of shoes will go up from 10 to 20 yuan. The people cannot get more shoes with more money. Other commodities have a similar situation. If we distribute more money to the people, the people can only use more money to buy the same quantity of commodities. This will only cause inflation and the masses of people cannot get any real benefit.

Therefore, we can see that the cadres who can truly represent the interest of the masses should be those who take the overall situation into consideration, are determined to carry out reform, and lead the masses to develop production so that the masses can continuously improve their living condition, and not those who wantonly distribute money and commodities to people at the cost of the national interest.

Regarding the aforementioned point, many people are awakening. Some people said straightforwardly: "We don't want cadres who use the state's money to win our sympathy. We want cadres who can lead us to increase our income through our own efforts." We hope that leading comrades will think about this and represent the interest of the masses in a correct manner.

Most of those who wantonly distribute money and commodities to the people at the cost of the national interest know the problem. So long as they set their thinking to the right and see clearly what is right and what is wrong, they can easily correct their action. Of course, there are a handful of people who pay no attention to party discipline and state law and intentionally commit mistakes. To the latter kind of people: We hope they will judge and size up the situation and stop committing further mistakes.

Recently, the CPC Central Committee and the State Council have repeatedly issued orders to forbid the wanton distribution of money and commodities. The cadres in various localities and departments should implement those orders and stop such action and be models in observing discipline and law in this respect.

#### CORRECTION TO ARTICLE ON DISCUSSION OF 'FREEDOM'

The following correction pertains to the item headlined "Article Urges Discussion on Concept of 'Freedom,'" published in the 7 February China DAILY REPORT on page K 14. The name of the article's writer given in the subslug was incorrect. The QINGNIAN LUNTAN [YOUTH FORUM] article was written by Hu Deping.

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GOVERNOR HU PING ON OPENING OF SOUTH FUJIAN ZONE

HK060618 Beijing ZHONGGUO XINWEN SHE in Chinese 1503 GMT 5 Feb 85

[Report: "Hu Ping Explains the Significance of Opening the South Fujian Triangular Zone"]

[Text] Fuzhou, 5 Feb (ZHONGGUO XINWEN SHE) -- Fujian Governor Hu Ping said that the opening of the south Fujian triangular zone will transform the economic construction in this area from a basically closed economy to an open one and from an underdeveloped single-product economy to a comprehensive and modern commodity economy.

He made this remark at a forum recently held by the State Council to discuss the Chang Jiang and Zhu Jiang deltas and the triangular zone of Xiamen, Zhangzhou, and Quanzhou in southern Fujian.

Hu Ping said that opening the south Fujian triangular zone will thus open Fujian's coastal areas from north to south. By exerting themselves, the coastal areas of Fujian will certainly be able to genuinely play the role of "one hub, two directors," with the effects felt at home and abroad. Not only will they be able to develop their economies more rapidly but, what is more important, the multiple explorations and practices carried out in various areas, from the Xiamen Special Economic Zone, the coastal open city of Fuzhou, and the south Fujian open zone to eastern Fujian and the hinterland of southwestern Fujian, will gradually promote reform and the open-door policy from the outside to the inside and from the coastal areas to the interior. This is of great significance in fulfilling the task of "quadrupling" Fujian's total industrial and agricultural output value ahead of schedule and in promoting the four modernizations program and the reunification of the motherland.

Six Steps in Opening

HK061044 Beijing ZHONGGUO XINWEN SHE in Chinese 0300 GMT 6 Feb 85

[Report: "Hu Ping on Steps To Be Taken for Opening South Fujian Triangular Zone to Outside"]

[Text] Fuzhou, 6 Feb (ZHONGGUO XINWEN SHE) -- At a forum recently held by the State Council on turning the Chang Jiang and Zhu Jiang deltas, and Xiamen, Zhangzhou, and Quanzhou in south Fujian into open economic zones, Fujian Governor Hu Ping put forth the following six steps while talking about Fujian's tentative plan: 1) Rationally readjust the internal structure of agriculture in a step by step manner; 2) pay close attention to importing advanced technology and do well the precision processing and comprehensive utilization of the farm and sideline products for export so as to increase their value and create more foreign exchange; 3) develop new mainstay industries, such as mineral resources, the marine chemical industry, the precision chemical industry, and the biochemical industry which can offer more export goods and create conditions to develop the petrochemical industry; 4) develop new technologies, import advanced science and technology, and enhance the application of scientific and technological achievements; 5) muster funds from a wide range and open all avenues for creating foreign exchange; 6) while giving full play to the superiority of the vigorous tertiary industry of the south Fujian triangular zone, we must continue to develop the traditional trades such as post and telecommunications, commerce, credit, and catering; exploit the new and developing tertiary industries such as tourism, the consultative and information services, and insurance; and improve the operation and service level of the whole society so as to meet the needs of opening to the outside world.

GUANGDONG HOLDS URGENT MEETING ON POWER SHORTAGE

HK081428 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 7 Feb 85

[Text] Yesterday the provincial People's Government held an urgent meeting of leaders of some cities and prefectures, demanding that all localities use electric power in strict accordance with plans and calling on all units which have diesel engines to put them into operation to overcome the current power shortage.

It has been learned that at present, the water level of several key hydropower stations in the province is so low that no electricity can be generated, the thermal power plants in the province have also reached their electricity generating limits, and the lines for importing Hong Kong electricity are also fully loaded. If such a situation continues, it will be impossible to guarantee the power supply for the province.

Therefore, the provincial People's Government has decided to take the following urgent measures: Delay the off hours of the generating sets of thermal power plants which are under the state unified planning; put all thermal power stations reserved by some units for their own use and all diesel generators into operation; reduce the power supplies to those units which are able to generate electricity but fail to do so; and adhere to the principle of guaranteeing power supplies to sugar processing plants; to markets in the Spring Festival, and to people's daily life while reducing power supplies to other fields in February and March. All cities, prefectures, and counties must be determined to terminate the production of some enterprises and to take resolute measures to control power supplies to those units which use excessive electric power but refuse to have their future electric power supply deducted as compensation.

GUANGDONG COMPLETES FIRST STAGE RECTIFICATION

HK081324 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 8 Feb 85

[Text] The units of the first and second groups carrying out party rectification have basically completed the first stage of party rectification. The units of the third group have begun party rectification work one after another. The first stage of party rectification in our province has been carried out in three groups. The first and second groups comprised party organizations of units at and above the provincial departmental and bureau levels. The majority of units carrying out party rectification have scored relatively good achievements. The party members' conscientiousness in keeping politically in line with the CPC Central Committee has been enhanced and reform and work of opening to the outside world has been promoted.

Through the efforts of party organizations at all levels, all cadres, and all people throughout the province, the gross industrial and agricultural output value last year exceeded 50 billion [yuan], recording an increase of 14.7 percent over 1983, apparently exceeding the national average rate of increase, and catching up with the rate of Jiangsu Province.

In the course of party rectification, the provincial CPC Committee circulated two big cases -- the case of deception in tobacco and the case of seeking private gain with oil -- throughout the province. In light of realities, all units carrying out party rectification penetratingly disclosed and strictly investigated and dealt with the problems of bureaucratism and of taking advantage of powers to pursue private ends. Organs at the provincial level disclosed cases of economic losses of over 10,000 yuan caused by bureaucratism, totalling 111 cases. The resulting losses which could be calculated amounted to 115 million yuan.

In the course of party rectification, houses excessively occupied by leading cadres were returned to their owners and the bureaucratic work style, such as a large number of documents and meetings, has been overcome. Through education in totally negating the Cultural Revolution, factionalism has been further eliminated, unity strengthened, and certain achievements made in weeding out [qing li] people of the three categories. A number of people who should have been checked, have been checked. However, the party groups and CPC committees of some organs at the provincial level did not exercise leadership over party rectification work vigorously enough and they did not set high demands. The problems left over will be solved continuously.

#### HUBEI OFFICIAL URGES CORRECTLY EXECUTING LAWS

HK081320 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 7 Feb 85

[Text] In his work report delivered on 5 February to the 13th meeting of the 6th Provincial People's Congress Standing Committee, (Zhou Yetao), deputy procurator of the provincial People's Procuratorate, said that people's procuratorates must properly supervise the personnel of state administrative organs to correctly execute the laws, and must perform their legal duty in fighting acts in serious violation of laws and discipline so as to serve economic construction.

(Zhou Yetao) said: Since the implementation of the new Constitution, along with the in-depth education in legal system, personnel of state administrative organs have observed discipline and abided by the law. However, cases of cadres violating the law and discipline have appeared time and again. A handful of cadres knew nothing about laws, refused to execute the laws, and willfully encroached upon personal and democratic rights of citizens. They even went so far as to shield and protect criminal elements. Some state organ personnel personally committed crimes and neglected their duties, causing heavy economic losses to the state. Although these acts can be traced to one or two cadres, they have directly damaged the reputation of the party and government and undermined the building of socialist democracy and the legal system.

(Zhou Yetao) said: The reform of the economic structure focusing on the urban economy is now being carried out in urban and rural areas throughout the province. We must continue to fight against various acts in violation of law and discipline so as to safeguard the dignity of the law and the personal and democratic rights of citizens, and to better serve economic construction. It is necessary to continue to conduct education among all people on the socialist legal system. In particular, it is necessary to teach and supervise cadres to take the lead in studying, understanding and executing laws. It is necessary to continuously strengthen supervision and examination of the execution of laws by all administrative organs and departments so that they can carry out their activities within the scope of the law. It is necessary to remove various obstacles to investigation one by one and seriously deal with such cases as detaining people illegally, extorting confessions by force, beating people until they are crippled or dead, and violating the criminal law.

YUNNAN HOLDS MEETING OF PROPAGANDA WORK HEADS

HK040833 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 1 Feb 85

[Excerpts] From 7 to 31 January, the provincial CPC Committee Propaganda Department held a meeting for Propaganda Department heads at prefectural, autonomous prefectural, city, and county levels. The meeting urged the propaganda departments of CPC committees at all levels to further set right their ideas guiding the propaganda work, and to strive to create a new situation in the work throughout the province.

The meeting conveyed and studied the important remarks of Comrade Hu Yaobang delivered at the national meeting for Propaganda Department heads.

In the course of the meeting, Comrade Pu Chaozhu, deputy secretary of the provincial CPC Committee, made a report to the participants on the province's economic situation and some problems concerning the policy of economic structural reform. Comrade Zhao Tingguang, deputy secretary of the provincial CPC Committee, made a speech on strengthening propaganda work under the new situation.

The participating comrades seriously studied the Decision of the CPC Central Committee on Reform of the Economic Structure, as well as this year's Document No 1 of the CPC Central Committee, thereby getting a deeper and scientific understanding regarding socialism.

The meeting stressed: Cadres engaging in propaganda work should strengthen their understanding of the relationship between the part and the whole, theory and practice, smashing outdated conventions and establishing new ones, and the leadership and its subordinates; and should treat it as the basic issue for doing well in propaganda work.

The participating comrades held: The realization of the party's general task and general goal is the overall situation concerning the people of China. Thus, the idea guiding the work of propaganda departments should be to arrange all of the departments' work to serve and be subordinate to this overall situation. Starting from this year, we should consciously focus our work on propagating and implementing the decision and Document No 1. We should also closely integrate the propaganda work with the economic work, and publicize the party's principles and policies in a manifold, lively way and by bearing the goal in mind. In this way, we shall make our contributions to the province's economic development.

On the basis of studying and discussing the documents, the meeting worked out, in light of the actual conditions, the main points of this year's propaganda work.

First, we should concentrate our efforts on publicizing economic structural reform and economic construction.

Second, we should closely integrate the reform with party rectification, and strengthen the education of party members.

Third, we should launch in a more in-depth and comprehensive way the drive of the stresses, four beauties, and three loves; and promote the building of spiritual civilization in both urban and rural areas.

Fourth, we should seriously grasp well the work of providing standardized ideological training for cadres, and greatly promote the basic study of Marxism-Leninism. We should also grasp well the political and moral education in secondary and primary schools.

Fifth, by coordinating with cultural, education, and other departments, we should reform the administrative structure.

Sixth, we should greatly strengthen the propaganda work directed overseas and toward Taiwan.



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NEI MONGGOL MEETING DISCUSSES UNHEALTHY PRACTICES

SKI01224 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 9 Feb 85

[Excerpts] At the regional meeting of responsible comrades of leading party groups of the regional-level organs sponsored on 7 February, Tian Congming, deputy secretary of the regional CPC Committee, called for ceaselessly strengthening party spirit and persistently eliminating and preventing three unhealthy practices under the new situation to ensure smooth progress in the reform of economic structure.

Tian Congming pointed out: Three unhealthy practices under the new situation picked out by the central authority recently are as follows:

1. Some party and government organs and cadres take advantage of their functions to run businesses and to resell at a profit materials in short supply; 2) they arbitrarily raise the prices of goods; 3) they invent all kinds of names to arbitrarily issue funds and materials. These unhealthy practices have emerged in some localities and departments in Nei Monggol. Party organizations at all levels across the region should pay great attention to this. If we do not eliminate these unhealthy practices in a timely manner, the smooth progress in the reform of economic structure will be obstructed. Thus, party committees at all levels should be sober-minded.

Tian Congming pointed out: The harm brought about by the three unhealthy practices under the new situation is that they bring damage to reforms in the name of reforms and interfere in economic development in the name of enlivening the economy. So they basically go against the interests of the people. In order to eliminate unhealthy practices under the new situation, first we should lead the broad masses of party members and cadres to conscientiously study the decision set by the 13th Plenum of the 12th CPC Central Committee so as to clearly tell the differences between reforms and obstructions to reforms, and between what enlivens the economy and what obstructs economic development, and to play exemplary roles in abiding by the party's and the state's policies, law and discipline.

From now on, party and government organs and cadres must not run businesses or enter prices. On the basis of investigations and studies, we should make specific analyses of the existing enterprises run by party and government organs and cadres. In line with the guidelines of the documents of the central authority and the State Council and on the premise of reforming the economic structure and enlivening the economy, we should properly handle the matter. In the light of the guidelines of relevant documents of the central authority, we should work out specific methods for management. We should focus on discipline and especially the party's discipline. We should never make up any excuses or methods to resist the instructions of the CPC Central Committee. Conducting new unhealthy practices in the course of party rectification means making mistakes in the course of rectification. We should seriously deal with those who conduct new unhealthy practices if we find any.

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C H I N A  
HONG KONG MEDIA ON CHINA

HSIN WAN PAO ON RECENT U.S.-NEW ZEALAND DISCORD

HKD70312 Hong Kong HSIN WAN PAO in Chinese 5 Feb 85 p. 1

["New Talk" column: "U.S. Setback in the South Pacific"]

[Text] The United States has announced the cancellation of the naval exercises in 1985, which have been jointly performed by the United States, Australia, and New Zealand in the Tasman Sea in the South Pacific next month. This is the United States' most recent setback in the South Pacific.

The focus of the recent contradictions between the United States and New Zealand is the question of whether or not U.S. naval vessels can anchor at New Zealand ports (under the Australia-New Zealand-United States Security Treaty (hereinafter referred to as the ANZUS Security Treaty), which is more than 30 years old (it was signed on 1 September 1951), U.S. naval vessels are allowed to visit New Zealand's ports frequently and replenish their supplies there. Since July last year, when New Zealand's prime minister, Robert Muldoon, became the country's prime minister, New Zealand has adopted a new policy and there has been discord between the two countries.

Muldoon won the election on a strongly antinuclear platform. After taking office, he immediately announced that U.S. nuclear naval vessels, whether they are equipped with nuclear weapons or simply capable of launching nuclear weapons, are not allowed to anchor at New Zealand ports. The reason is that New Zealand wants to avoid being a target for nuclear attacks in a nuclear war.

In accordance with the treaty between the three countries, the United States was supposed to perform a military exercise code-named "New Eagle" with Australia and New Zealand next month. The Tasman Sea, which lies between Australia and New Zealand, was chosen for two reasons: First, in the South Pacific, there is a tendency to view the United States and possibility of Soviet infiltration. Therefore, it was necessary. Second, in the past, when the United States tested its long-range nuclear weapons, most of the missiles were launched from submarines and landed at target zones in the central Pacific. This time the United States was going to expand the range of its missiles and to make the Tasman Sea in the South Pacific a target zone.

A third reason is that the United States wanted to show some respect to New Zealand that the U.S. respects New Zealand's wishes. In the past, when the United States (should) taking part in the naval exercises would anchor at New Zealand ports. This was done to show that New Zealand would benefit.

The response was twofold. On the one hand, U.S. naval vessels are not allowed to anchor at New Zealand ports. On the other hand, it is hoped that U.S. nuclear naval vessels will anchor at New Zealand ports. Thus, before they leave, they must show that they respect New Zealand's wishes and views, whether or not they are consistent with the U.S. policy, and whether or not they are necessary.

The United States negotiated with New Zealand a second time. This time, the United States made a concession to inform New Zealand that the missiles that New Zealand could be visiting the country. However, it refused to accept whether or not the destroyer is equipped with nuclear weapons. In order to avoid making any further state information. Because of this, the U.S. refused to provide information to New Zealand again. Reflected the dispute. In this way, the U.S. and New Zealand have reached a deadlock. It has been said that the U.S. and New Zealand have reached a deadlock.

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Will the ANZUS Security Treaty dissolve following the cancellation of the military exercise? It seems that things will not go that far for the time being. On hearing that the joint military exercise has been called off, New Zealand still said that it was willing to take part in the next exercise. The United States could undoubtedly take revenge on New Zealand by some economic means. However, as a big country, it is afraid to bully New Zealand. Which is a small country, it is afraid that international opinion might not be favorable. On the other hand it is also afraid that New Zealand might even change its political stand. So it resorts to a wait-and-see attitude until changes take place in New Zealand's internal political situation. In July this year in Canberra, the Australian capital, the ANZUS Council will convene a meeting of the foreign ministers of the three countries. By then, one should be able to see some developments.

The party in power in Australia is also a Labor Party. However, Australia is on better terms with the United States. The following issues in U.S.-Australian cooperation can be mentioned here: 1) Mackin, the Australian prime minister, is about to visit the United States and hold talks with President Reagan. Certainly they will exchange views on the situation in the South Pacific and the relations between the three countries. 2) Last week Australia announced that it has promised to let the United States use its Sydney port as an observation post to observe the ships without strategic missiles with the Taiwan Sea as their target zone. 3) The satellites launched by the United States last month to monitor the ~~late~~ ~~navigation~~ within the Soviet Union, which is situated in the sky above the Indian Ocean, relies on Australia's Song Huo Wan (1944 1985 1985) -- Pine Bay monitoring station as a relay station. Thus, the United States will cling to Australia in order to prevent it from adopting New Zealand's policy.

**END OF**

**FIGURE**

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